NEW APPLICATION JOHNSON UTILITIES, L.L



5230 East Shea Boulevard * Scottsdale, Arizona 852: PH: (480) 998-3300; FAX: (480) 483-7908

ORIGINAL

6 April 2012

Docket Control Center Arizona Corporation Commission 1200 W. Washington St. Phoenix, Arizona

WS-02987A-12-0136

Attached is an application by Johnson Utilities, LLC for a water CC&N Expansion. The purpose of this application is to expand the Johnson Utilities, LLC service area to include Bella Vista North and Merrill Ranch Expansion #1.

George H. Johnson

Arizona Corporation Commission DOCKETED

APR - 6 2012

DOCKETED BY YR

AZ CORP COMMISSION

RECEIVED

K. List the legal name and mailing address of each other utility in which the applicant has an ownership interest:

N/A

L. Provide a compliance status report from the Arizona Department of Environmental Quality ("ADEQ"), dated no more than 30 days of the CC&N extension application, for each water and wastewater systems as identified by a separate ADEQ Public Water & Wastewater System Identification number.

(See Attachment #2 – Sewer and Attachment #3 – Water)

Attach a legal description of the requested service area, expressed in terms of **CADASTRAL** (quarter section description) or **Metes and Bounds** survey. References to parcels and dockets will not be accepted.

(See Attachment #4 – Bella Vista North and Attachment #5 – Merrill Ranch)

Attach a detailed map using the form provided as Attachment "B". Shade and outline the area requested. Also, indicate any other utility within the general area using different colors.

(See Attachment #4 - Bella Vista North and Attachment #5 - Merrill Ranch)

M. List the name of each county in which the requested extension area is located and a description of the area's location in relation to the closest municipality, which shall be named:

The entire extension in within Pinal County.

The Bella Vista North Expansion is 3.7 miles from the Town of Queen Creek and .7 miles from the Town of Florence.

The Merrill Ranch Expansion #1 is within the limits of the Town of Florence..

N. Attach a complete description of the facilities proposed to be constructed, including a preliminary engineering report with specifications in sufficient detail to describe each water system and the principal components of each water system (e.g., source, storage, transmission lines, distribution lines, etc.) to allow verification of the estimated costs provided under R14-2-402 subsection (B)(5)(o) and verification that the requirements of the Commission and the Arizona Department of Environmental Quality can be met.

(See Attachment #6)

O. Provide the estimated total construction cost of the proposed offsite and onsite facilities, including documentation to support the estimates, and an explanation of how the construction will be financed, such as through debt, equity, advances in aid of construction, contributions in aid of construction, or a combination thereof.

(See Attachment #7)

P. Explain the method of financing utility facilities. Refer to the instructions, item no. 7. (Use additional sheets if necessary):

The construction of the additional utility facilities needed to serve the area covered by this Application will be financed primarily by advances in aid of construction and hook-up fees in accordance with Commission regulations and Johnson Utilities applicable tariffs, as well as pursuant to the terms of any main extension agreements between Johnson Utilities, and property owners. A copy of all fully executed main extension agreements for water facilities between parties shall be filed with the Commission in support of this Application when completed.

Attach financial information in a format similar to Attachment "C". Include current assets and liabilities, an income statement, estimated revenue and expenses and the estimated value of the applicant's utility plant in service for the first five years following approval of the application.

(See Attachment #8)

Estimated value of plant in service after 5 years = \$1,319,140.00

S. Provide a detailed description of the proposed construction timeline for facilities with estimated starting and completion dates and, if construction is to be phased, a description of each separate phase of construction.

(See Attachment #9)

T. Provide a copy of any requests for service from persons who own land within the proposed extension area, which shall identify the applicant by name.

(See Attachment #10 from Southwest Value Partners; Bella Sierra, LLC; and BVF Opportunity, LLC & BVF Land, LLC. This application will be supplemented at a later date with a Request for Service from Pantano Development.)

- U. Provide maps of the proposed extension area identifying:
 - 1. The boundaries of the area, with the total acreage noted; (See Attachment #11)
 - 2. The land ownership boundaries within the area, with the acreage of each separately owned parcel within the area noted; (See Attachment #11)
 - 3. The owner of each parcel within the area; (See Attachment #11)

- 4. Any municipality corporate limits that overlap with or are within five miles of the area; (See Attachment #12)
- 5. The service area of any public service corporation, municipality, or district currently providing water or wastewater service within one mile of the area, with identification of the entity providing service and each type of service being provided; (See Attachments #4 and #5)
- **6.** The location within the area of any known water service connections that are already being provided service by the applicant; *None*
- 7. The location of all proposed developments within the area; (BVF Master Plan and Merrill Ranch Master Plan)
- 8. The proposed location of each water system and the principal components described in R14-2-402 subsection (B) (5) (n); (BVF will be part of the 11-128 water system; MR will be part of the 11-136 water system)
- 9. The location of all parcels for which a copy of a request for service has been submitted. (See Attachments #4, and #5) All parcels have requests for service. Pantano Development, LLC has requested service, which will be filed separately in the docket.
- V. Provide a copy of each notice to be sent, as required, to a municipal manager or administrator.

A letter from the Town of Florence requesting Johnson Utilities' service to Merrill Ranch's portion of the application will be filed separately in the docket.

- W. A copy of each notice sent, as required, to a landowner not requesting service. N/A
- X. For each landowner not requesting service, provide either the written response received from the landowner or, if no written response was received, a description of the actions by the applicant to obtain a written response.

All owners have requested service; however, Johnson Utilities is waiting for a request in writing from Pantano Development.

Y. Attach proposed Tariffs using either the water or sewer format of Attachment "D", unless the Utilities Division, prior to the filing of this application, approves another form.

(See Attachment #13)

Attach the following permits (if any of these permits have not yet been obtained, please provide the status of their application):

1. The franchise from either the City or County for the area requested.

(See Attachment #14)

ARIZONA CORPORATION COMMISSION

APPLICATION FOR AN EXTENSION CERTIFICATE OF CONVENIENCE AND NECESSITY

WATER AND/OR SEWER

A. The legal name, mailing address and telephone number of the Applicant (Company) is:

JOHNSON UTILITIES, LLC 5230 E SHEA BLVD, SUITE 200 SCOTTSDALE AZ 85254 (480) 998-3300

B. If the applicant operates under a "d.b.a." or under a name other than the Applicant (Company) name listed above, specify:

N/A

C. List the full name, mailing address and <u>telephone number</u> of the management contact:

GEORGE H. JOHNSON (See "A")

D. List the full name, mailing address and <u>telephone number</u> of the attorney for the Applicant:

JEFFREY W CROCKETT BROWNSTEIN HYAT FARBER SCHREK 1 E WASHINGTON, SUITE 2400 PHOENIX AZ 85004 (602) 382-4062

E. List the full name, mailing address and <u>telephone number</u> of the operator certified by the Arizona Department of Environmental Quality who is or will be working for the Applicant:

GREGORY BROWN (See "A")

F.	List the fu	ll name,	mailing	address	and	<u>telephone</u>	number	of the	on-site	manager	of the
utility:											

KENNY WATKINS, GENERAL MANAGER (See "A")

G. The Applicant is a:

Corporation:	Partnership
"C", "S", Non-Profit	Limited, General
Arizona, Foreign	Arizona, Foreign
Sole Proprietorship	X Limited Liability Company (LLC)
Other (Specify)	

- H. If Applicant is a corporation:
- 1. List full names, titles and mailing addresses of all Officers and Directors:

Officers

N/A

Directors

N/A

- 2. Attach a copy of the corporation's "Certificate of Good Standing" issued by the Corporation's Division of the Arizona Corporation Commission. *N/A*
- 3. Attach a certified copy of the Articles of Incorporation. *N/A*
- 4. Attach a certified copy of the corporation's By-Laws. *N/A*
- 5. If a for-profit corporation, indicate the number of shares of stock authorized for issue: N/A

- 6. If stock has been issued, indicate the number of shares issued and date of issue: N/A
- I. If the Applicant is a partnership:
- 1. List the full name and mailing address of the general partners: N/A
- 2. List the full name, address and <u>telephone number</u> of the managing partners: *N/A*
- 3. Attach a copy of the Partnership's Articles of Partnership. N/A
- If the Applicant is a foreign limited partnership, provide a copy of the Partnership's "Certificate of Registration" filed with the Arizona Secretary of State. N/A
- J. If the Applicant is a Limited Liability Company:
- 1. List the full name and mailing address of all the Applicant's managers or, if management is reserved to the members, the Applicant's members:

GEORGE H JOHNSON (See "A")

2. Attach a copy of the Articles of Organization.

(See Attachment #1)

- K. List the legal name and mailing address of each other utility in which the applicant has an ownership interest: *N/A*
- L. Provide a compliance status report from the Arizona Department of Environmental Quality ("ADEQ"), dated no more than 30 days of the CC&N extension application, for each water and wastewater systems as identified by a separate ADEQ Public Water & Wastewater System Identification number.

(See Attachment #2 – Sewer and Attachment #3 – Water)

Attach a legal description of the requested service area, expressed in terms of **CADASTRAL** (quarter section description) or **Metes and Bounds** survey. References to parcels and dockets will not be accepted.

(See Attachment #4 - Bella Vista North and Attachment #5 - Merrill Ranch)

Attach a detailed map using the form provided as Attachment "B". Shade and outline the area requested. Also, indicate any other utility within the general area using different colors.

(See Attachment #4 – Bella Vista North and Attachment #5 – Merrill Ranch)

M. List the name of each county in which the requested extension area is located and a description of the area's location in relation to the closest municipality, which shall be named:

The entire extension in within Pinal County.

The Bella Vista North Expansion is 3.7 miles from the Town of Queen Creek and 0.7 miles from the Town of Florence.

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N. Attach a complete description of the facilities proposed to be constructed, including a preliminary engineering report with specifications in sufficient detail to describe each water system and the principal components of each water system (e.g., source, storage, transmission lines, distribution lines, etc.) to allow verification of the estimated costs provided under R14-2-402 subsection (B)(5)(o) and verification that the requirements of the Commission and the Arizona Department of Environmental Quality can be met.

(See Attachment #6)

O. Provide the estimated total construction cost of the proposed offsite and onsite facilities, including documentation to support the estimates, and an explanation of how the construction will be financed, such as through debt, equity, advances in aid of construction, contributions in aid of construction, or a combination thereof.

(See Attachment #7)

P. Explain the method of financing utility facilities. Refer to the instructions, item no. 7. (Use additional sheets if necessary):

The construction of the additional utility facilities needed to serve the area covered by this Application will be financed primarily by advances in aid of construction and hook-up fees in accordance with Commission regulations and Johnson Utilities applicable tariffs, as well as pursuant to the terms of any main extension agreements between Johnson Utilities, and property owners. A copy of all fully executed main extension agreements for water facilities between parties shall be filed with the Commission in support of this Application when completed.

Attach financial information in a format similar to Attachment "C". Include current assets and liabilities, an income statement, estimated revenue and expenses and the

estimated value of the applicant's utility plant in service for the first five years following approval of the application.

(See Attachment #8)

Estimated value of plant in service after 5 years = \$1,319,140.00

S. Provide a detailed description of the proposed construction timeline for facilities with estimated starting and completion dates and, if construction is to be phased, a description of each separate phase of construction.

(See Attachment #9)

T. Provide a copy of any requests for service from persons who own land within the proposed extension area, which shall identify the applicant by name.

(See Attachment #10 from Southwest Value Partners; Bella Sierra, LLC; and BVF Opportunity, LLC & BVF Land, LLC. This application will be supplemented at a later date with a Request for Service from Pantano Development.)

- U. Provide maps of the proposed extension area identifying:
 - 1. The boundaries of the area, with the total acreage noted; (See Attachment #11)
 - 2. The land ownership boundaries within the area, with the acreage of each separately owned parcel within the area noted; (See Attachment #11)
 - 3. The owner of each parcel within the area; (See Attachment #11)
 - 4. Any municipality corporate limits that overlap with or are within five miles of the area; (See Attachment #12)
 - 5. The service area of any public service corporation, municipality, or district currently providing water or wastewater service within one mile of the area, with identification of the entity providing service and each type of service being provided; (See Attachments #4 and #5)
 - **6.** The location within the area of any known water service connections that are already being provided service by the applicant; *None*
 - 7. The location of all proposed developments within the area; (BVF Master Plan and Merrill Ranch Master Plan)
 - 8. The proposed location of each water system and the principal components described in R14-2-402 subsection (B) (5) (n); (BVF will be part of the 11-128 water system; MR will be part of the 11-136 water system)
 - 9. The location of all parcels for which a copy of a request for service has been submitted. (See Attachments #4, and #5) All parcels have requests for service. Pantano Development, LLC has requested service, which will be filed separately in the docket.

V. Provide a copy of each notice to be sent, as required, to a municipal manager or administrator.

A letter from the Town of Florence requesting Johnson Utilities' service to Merrill Ranch's portion of the application will be filed separately in the docket.

- W. A copy of each notice sent, as required, to a landowner not requesting service. N/A
- X. For each landowner not requesting service, provide either the written response received from the landowner or, if no written response was received, a description of the actions by the applicant to obtain a written response.

All owners have requested service; however, Johnson Utilities is waiting for a request in writing from Pantano Development.

Y. Attach proposed Tariffs using either the water or sewer format of Attachment "D", unless the Utilities Division, prior to the filing of this application, approves another form.

(See Attachment #13)

Attach the following permits (if any of these permits have not yet been obtained, please provide the status of their application):

1. The franchise from either the City or County for the area requested.

(See Attachment #14)

2. The Arizona Department of Environmental Quality (or its designee's) approval to construct facilities.

Johnson Utilities requests that the filing of the approval to construct be submitted as a compliance item in this docket within two years of the approval of the CC&N.

3. (SEWER ONLY) Copy of the Aquifer Protection Permit issued by ADEQ. N/A

Merrill Ranch will be served by the Anthem WRP. The plant's APP is already on file with the Commission.

- 4. The Arizona State Land Department approval. (If you are including any State land in your requested area this approval is needed.) N/A
- 5. Any U.S. Forest Service approval. (If you are including any U.S. Forest Service land in your requested area this approval is needed.) N/A

- 6. (WATER ONLY) If the area requested is within an Active Management Area, attach a copy of the utility's Designation of an Assured Water Supply, or the developer's Certificate of Assured Water Supply issued by the Arizona Department of Water Resources, whichever applies.
 - a. If the area requested is outside an Active Management Area, attach the developer's Adequacy Statement issued by the Arizona Department of Water Resources, if applied for by the developer.
 - b. If the area requested is outside an Active Management Area and the developer does not obtain an Adequacy Statement, provide sufficient detail to prove that adequate water exists to provide water to the area requested.

(See Attachment #15)

7. Provide a copy of your estimated property taxes. This may be obtained by contacting the Arizona Department of Revenue, Division of Property Valuation and Equalization. You must provide them with a five (5) year projection of the original cost of the plant, depreciation expense, the location of the property and the school district.

(See Attachment #16)

Z. Indicate the estimated number of customers, by class, to be served in each of the first five years of operation. Include documentation to support the estimates.

(See Attachment #17)

Residential: First Year Second Year Third Year Fourth Year Fifth Year Commercial: First Year Second Year Third Year Fourth Year Fifth Year Industrial: First Year Second Year Third Year Fourth Year Fifth Year Irrigation: First Year Second Year Third Year Fourth Year Fifth Year Irrigation: AA. Indicate the projected annual water consumption or sewerage treatment, in gallons, for each of the customer classes for each of the first five years of operation: (See Attachment #17)

Residential:	Industrial:
First Year	First Year
Second Year	Second Year
Third Year	Third Year
Fourth Year	Fourth Year
Fifth Year	Fifth Year
Commercial:	Irrigation:
First Year	First Year
Second Year	Second Year
Third Year	Third Year
Fourth Year	Fourth Year
Fifth Year	Fifth Year
	nual operating revenue for each of the first five years of
operation:	
(See Attachment #18)	
Residential:	Industrial:
First Year	First Year
Second Year	Second Year
Third Year	Third Year
Fourth Year	Fourth Year
Fifth Year	Fifth Year
Commercial:	Irrigation:
First Year	First Year
Second Year	Second Year
Third Year	Third Year
Fourth Year	Fourth Year
Fifth Year	Fifth Year
P. Indicate the total estimated an operation:	inual operating expenses for each of the first five years of
(See Attachment #18)	
Residential:	Commercial:
First Year	First Year
Second Year	Second Year
Third Year	Third Year
Fourth Year	Fourth Year
Fifth Year	Fifth Year

Industrial:	Irrigation:	
First Year	 First Year	
Second Year	Second Year	
Third Year	Third Year	
Fourth Year	 Fourth Year	
Fifth Year	Fifth Year	
_		

- DD. Attach an itemized list of the major components of the water or sewer system (see Attachment C-3). (See Attachment #8)
- EE. Indicate the total estimated cost to construct utility facilities: \$26,382.814.00
- FF. Provide a description of how water and/or wastewater service is to be provided in the proposed extension area and the name of each water and wastewater service provider for the area, if any. (No other providers)
- GG. Provide a letter from each wastewater service provider identified under subsection (B)(5)(aa), confirming the provision of wastewater service for the proposed service area or extension area. N/A
- HH. Provide plans for or a description of water conservation measures to be implemented in the proposed service area or extension area, including, at a minimum:
 - i. A description of the information about water conservation or water saving measures that the utility will provide to the public and its customers; We will use water conservation consistent with our BMP's and ADWR's water conservation measures.
 - ii. A description of how the applicant will work with each wastewater service provider identified under subsection (B)(5)(aa) to encourage water conservation;
 - iii. A description of the sources of water that will be used to supply parks, recreation areas, golf courses, greenbelts, ornamental lakes, and other aesthetic water features; We have worked with developers and at present, there are no plans for golf courses, greenbelts, ornamental lakes or other aesthetic water features.
 - iv. A description of any plans for the use of reclaimed water;
 - v. A description of any plans for the use of recharge facilities; We will use existing at WRP's
 - vi. A description of any plans for the use of surface water; **NONE**
 - vii. A description of any other plans or programs to promote water conservation; **NONE**
- II. Provide a backflow prevention tariff that complies with Commission standards, if not already on file. *Already on file*
- JJ. Provide a curtailment tariff that complies with Commission standards, if not already on file. *Already on file*

KK. Provide a copy of a Physical Availability Determination, Analysis of Adequate Water Supply, or Analysis of Assured Water Supply issued by the Arizona Department of Water Resources for the proposed service area or extension area or, if not yet obtained, the status of the application for such approval; (See Attachment #15)

George H. Johnson

(Type or Print Name Here)

Manager (Title)

SUBSCRIBED AND SWORN to before me this 6th day of April, 2012

My Commission Expires 3 Sept 14

Attachment 1

ARTICLES OF ORGANIZATION

RECEIVED

OF

JUN 5 1997

JOHNSON UTILITIES, L.L.C.

ARIZONA CORP COMMISSION CORPORATIONS DIVISION

KNOW ALL MEN BY THESE PRESENTS:

The undersigned, for the purpose of forming a limited liability company under and pursuant to the laws of the State of Arizona, does hereby adopt these Articles of Organization:

ARTICLE I.

The name of this limited liability company is Johnson Utilities, L.L.C.

ARTICLE II.

The purpose for which this limited liability company is organized is the transaction of any and all lawful business for which a limited liability company may be organized under the laws of the State of Arizona, as they may be amended from time to time.

ARTICLE III.

The address of the registered office of this limited liability company is 5320 East Shea Boulevard, Scottsdale, Arizona 85254.

ARTICLE IV.

The name and business address of the agent for service of process of this limited liability company is Richard L. Sallquist, Esq., 2525 E. Arizona Biltmore Circle, Suite 117, Phoenix, Arizona 85016.

ARTICLE V.

There are or will be two (2) or more members at the time this limited liability company is formed.

ARTICLE VI.

The management of this limited liability company is reserved to its members, whose names and business addresses are:

George H. Johnson 5320 Est Shea Blvd. Scottsdale, Arizona 85254 Jana S. Johnson 5320 East Shea Blvd. Scottsdale, Arizona 85018

ARTICLE VII.

A member, manager, employee, officer or agent of this limited liability company is not liable, solely by reason of being a member, manager, employee, officer or agent, for the debts, obligations and liabilities of this limited liability company whether arising in contract or tort, under a judgment, decree or order of a court or otherwise. If Arizona law is subsequently amended to authorize further elimination or limitation of liability of members, managers, employees, officers or agents of limited liability companies, then the liability of a member, manager, employee, officer or agent of this limited liability company, in addition to the limitation on personal liability provided herein, shall be limited to the fullest extent permitted by Arizona law.

ARTICLE VIII.

This limited liability company shall indemnify, to the fullest extent allowed by applicable law, any member, manager, employee, officer or agent of this limited liability company.

ARTICLE IX.

The latest date this limited liability company can dissolve is May 31, 2022.

IN WITNESS WHEREOF, the undersigned has set his hand this _______ day of May, 1997.

George H. Johnson

STATE OF ARIZONA

) ss.

County of Maricopa

The foregoing instrument was acknowledged before me this ≥ 9 day of May, 1997, by

George H. Johnson.

Harrowic U. Routes

My Commission Expires:

ORBAINE V. PRUTCH
NOTEN PUBL'S - Arizona
MARICOPA COUNTY
My Cominisation Expires
MARCH 1, 2000

T. M. Williams

DEC-30-97 12:42 FROM: MARGRAVE CELMINS VERBURG 10 6029842-03

STATE OF ARIZURA ACC/FAX DATE FILED

HEC 30 1997

AMENDED AND RESTATED

ARTICLES OF ORGANIZATION OF

JOHNSON UTILITIES, L.L.C.

DATE APPR 12-30-97
TERM
BY MBaines
1-0809733-4

Pursuant to the provisions of Ariz. Rev. Stat. Ann. § 29-633, the undersigned limited liability company hereby amends and restates its Articles of Organization, which were filed on June 5, 1997.

ARTICLE I

The name of the Company is Johnson Utilities, L.L.C.

ARTICLE II Registered Office

The address of the registered office of this limited liability company is 5320 East Shea Boulevard, Scottsdale, Arizona 85254.

ARTICLE III Registered Agent

The name and business address of the agent for service of process of this limited liability company is Delator Corporation, 7201 East Camelback Road, Suite 330, Scottsdale, Arizona 85251.

ARTICLE IV

Management of this limited liability company is vested in a manager or managers. The name and address of the initial manager is George H. Johnson, 5320 East Shea Boulevard, Scottsdale, Arizona 85254.

ARTICLE V

The Member owning a one hundred percent (100%) interest in the Company is:

The George H. Johnson Revocable Trust dated July 9, 1987
George H. Johnson and Jana S. Johnson, Trustees
5320 East Shea Boulevard
Scottsdale, Arizona 85254

Johnson/Drillitie/Nectated Art November 12, 1997

FAX NO.

P. 05

12142 FROM HAL AVE CELHING VERBURG

96

DATED this 12th day of November

Attachment 2



Janice K. Brewer Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

1110 West Washington Street • Phoenix, Arizona 85007 (602) 771-2300 • www.azdeq.gov



Henry R. Darwin Director

March 28, 2012

Arizona Corporation Commission
Mr. Marlin Scott, Utilities Engineer
1200 W. Washington
Phoenix, Arizona 85007

RE: Compliance Status for Santan Water Reclamation Plant, Inventory Number 105325, Place ID 18584, Permit number 43235.

Dear Mr. Scott,

Your request for evaluation of compliance status for the above facility is completed. Our records indicate that the above facility was issued Aquifer Protection Permit (APP) Number 43235 on 10/24/2007.

Review of the Self-Monitoring Report Forms submitted under the requirements of the APP for the year 2011 indicates that Johnson Utilities, LLC self-reported the following monitoring/reporting violations during the year.

- 1. Aquifer Quality Level Exceedance for nitrate-nitrite as N on January 10, July 8, and August 12, 2011. Monitoring point 114124. Monitoring SMP PT #2.
- 2. Aquifer Quality Level Exceedance for total nitrogen on January 11, July 29, and August 12, 2011. Monitoring point 114124. Monitoring SMP PT #2.

ADEQ is not aware of any other on-going environmental regulatory issues concerning maintenance and operation of the facility. It should be understood that the compliance status of a facility may change at any time. This compliance review is based on the most current information available. If you have any questions regarding this matter, please contact me at (602) 771-2209.

Sincerely,

Mindi Cross, Manager

Water Quality Compliance Section

Arizona Department of Environmental Quality

CC: Greg Brown Facility file



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

1110 West Washington Street • Phoenix, Arizona 85007 (602) 771-2300 • www.azdeq.gov



March 28, 2012

Arizona Corporation Commission Mr. Marlin Scott, Utilities Engineer 1200 W. Washington Phoenix, Arizona 85007

RE: Compliance Status for Anthem Wastewater Reclamation Plant, Inventory Number 105646, Place ID 91546, Permit Number 45436.

6: 44

Dear Mr. Scott,

Your request for evaluation of compliance status for the above facility is completed. Our records indicate that the above facility was issued Aquifer Protection Permit (APP) Number 45436 on 04/03/2008.

Review of the APP reporting requirements and monitoring results that have been submitted indicate the facility is in compliance based on the current information that is available to ADEQ.

It should be understood that the compliance status of a facility may change at any time. This compliance review is based on the most current information available.

Sincerely,

Mindi Cross, Manager

Water Quality Compliance Section

Arizona Department of Environmental Quality

cc: Greg Brown Facility file



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

1110 West Washington Street • Phoenix, Arizona 85007 (602) 771-2300 • www.azdeq.gov



March 28, 2012

Arizona Corporation Commission Mr. Marlin Scott, Utilities Engineer 1200 W. Washington Phoenix, Arizona 85007

RE: Compliance Status for Precision WWTP, Inventory number 105004. Place ID Number 138145 and Permit Number 23124.

Dear Mr. Scott,

Your request for evaluation of compliance status for the above facility is completed. Our records indicate that the above facility was issued Aquifer Protection Permit (APP) Number 23124 on 04/08/2004.

Review of the APP reporting requirements and monitoring results that have been submitted indicate the facility is in compliance based on the current information that is available to ADEQ.

It should be understood that the compliance status of a facility may change at any time. This compliance review is based on the most current information available.

Sincerely,

Mindi Cross, Manager

Water Quality Compliance Section

Arizona Department of Environmental Quality

cc: Greg Brown Facility file



Janice K. Brewer Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

1110 West Washington Street • Phoenix, Arizona 85007 (602) 771-2300 • www.azdeq.gov



March 28, 2012

Arizona Corporation Commission Mr. Marlin Scott, Utilities Engineer 1200 W. Washington Phoenix, Arizona 85007

RE:

Compliance Status Pecan Water Reclamation Plant, Inventory Number 105324,

Place ID 18583, Permit Number 37771.

Dear Mr. Scott.

Your request for evaluation of compliance status for the above facility is completed. Our records indicate that above facility was issued Aquifer Protection Permit (APP) Number 37771 on 02/04/2008.

Review of the Self-Monitoring Report Forms submitted under the requirements of the APP for the year 2011 indicates that there were no monitoring or reporting violations during the year. However, there are three open Notices of Violation (NOV)s associated with the Pecan Water Reclamation Plant. Detailed descriptions of these NOVs are provided in the Arizona Department of Environmental Quality's (ADEQ)'s compliance status letter for the Pecan Water Reclamation Plant to the Arizona Corporation Commission, dated July 12, 2011. A copy of the letter is attached for your convenience.

ADEQ confirms Johnson Utilities, LLC has met the "Compliance Conditions" of NOVs with Case IDs 92021, 97512, and 120285. ADEQ is in discussions with Johnson Utilities, LLC to resolve the company's liabilities for the violations cited in the NOV, and will maintain the open status of the NOVs until a resolution is reached. ADEQ is not aware of any other on-going environmental regulatory issues concerning maintenance and operation of the facility. It should be understood that the compliance status of a facility may change at any time. This compliance review is based on the most current information available.

If you have any questions regarding this matter, please contact me at (602) 771-2209.

Sincerely,

Mindi Cross, Manager

Water Quality Compliance Section

Arizona Department of Environmental Quality

cc: Greg Brown Facility file



Janice K. Brewer Governor

ARIZONA DEPARTMENT **ENVIRONMENTAL QUALITY**

1110 West Washington Street • Phoenix, Arizona 85007 (602) 771-2300 • www.azdeq.gov



Director

March 28, 2012

Arizona Corporation Commission Mr. Marlin Scott, Utilities Engineer 1200 W. Washington Phoenix, Arizona 85007

RE: Compliance Status for Section 11 WWTP, Inventory number 103081,

Place ID 142, Permit Number 35634.

Dear Mr. Scott,

Your request for evaluation of compliance status for the above facility is completed. Our records indicate that the above facility was issued Aquifer Protection Permit (APP) Number 35634 on 04/10/2006.

Review of the Self-Monitoring Report Forms submitted under the requirements of the APP for the year 2011 indicate that there were no monitoring or reporting violations during the year. However, there are two open Notices of Violation (NOV)s associated with the Section 11 WWTP. Detailed descriptions of these NOVs are provided in the Arizona Department of Environmental Quality's (ADEQ)'s compliance status letter for the Pecan Water Reclamation Plant to the Arizona Corporation Commission, dated July 12, 2011. A copy of the letter is attached for your convenience.

ADEO confirms that Johnson Utilities, LLC has not met the "Compliance Conditions" for Case ID Nos. 102722 and 103357. ADEQ is in discussions with Johnson Utilities, LLC to resolve the company's liabilities for the violations cited in the NOVs, and will maintain the open status of the NOVs until a resolution is reached. ADEQ is not aware of any other on-going environmental regulatory issues concerning maintenance and operation of the facility. It should be understood that the compliance status of a facility may change at any time. This compliance review is based on the most current information available.

If you have any questions regarding this matter, please contact me at (602) 771-2209.

Sincerely,

Mindi Cross, Manager

Water Quality Compliance Section

Arizona Department of Environmental Quality

cc: Greg Brown Facility file

Attachment 3

Arizona Department of Environmental Quality Drinking Water Monitoring and Protection Unit Mail Code 5415B-2 1110 West Washington Street Phoenix, AZ 85007

Drinking Water Compliance Status Report

System Name	•	Svs	tem Type	·	·	ls s	ystem c	nseci	tive?
ANTHEM AT MERRILL RANCH							-		
System ID #			Non-transi		mmunity		to PWS	#	-
11136			Transient I			团	No		
						<u> </u>			
Overall compliance status		\boxtimes	No major	deficienci	es		Major de	ficienc	es
Monitoring and Reporting	status	\boxtimes	No major	deficienci	es		Major de	ficienc	es
Comments: Increased monitoring for nitrate at EPDS002 began the second quarter of 2011 following a									
trigger in the first quarter of	2011.								
Operation and Maintenand	e status		No majo	or deficier	ncies		Major de	ficienci	es -
Date of last Sanitary Survey 9-28-10 Inspector Karen Berry, PHX									
Major unresolved/ongoing o	peration and r	naintei	nance del		•				· · · · · · · · · · · · · · · · · · ·
	maintain 20		101100 00] inadequa	te st	orage		
	nnection/back		oblems				treatmen	t rule	
	t deficiencies		-10.0		ATC/AO		•.		
☐ certified				· · ·	other =				
						···			
Comments: None	•								
				•			•		
									٠.
Is an ADEQ administrative	order in effe	ct?	•				Yes		No
Comments: None						*****			
		4		-41					
D	رح	ysten	<u>Inform</u>	ation		# 00	<u> </u>		
		Population Served 5006							
Service Connections 1788									
Maria barra & Takar Balaka ka da	- D:-(-1543	0					8		
Number of Entry Points to th	e Distribution	Syster	n .			2	8		
Number of Sources	e Distribution	Syster	n			2 4			
Number of Sources Initial Monitoring Year			n			2 4 200	8	1 [1	T & 2
Number of Sources			n			2 4			No
Number of Sources Initial Monitoring Year Monitoring Assistance Progr	am (MAP) Sy:	stem		D))	2 4 200	8		No
Number of Sources Initial Monitoring Year	am (MAP) Sy	stem eron, M	Manager(Do Protect) tion (Init	2 4 200	8		No
Number of Sources Initial Monitoring Year Monitoring Assistance Progr Evaluation completed by	am (MAP) Sys Donna Caldo Drinking Wa	stem eron, N ter Mo	lanager nitoring a	nd Protec	tion Unit	2 4 200 🗵	8 Yes	0012	No
Number of Sources Initial Monitoring Year Monitoring Assistance Progr Evaluation completed by Phone	am (MAP) Sys Donna Caldo Drinking Wa 602-771-464	stem eron, N ter Mo 11	fanager nitoring a	nd Protec ite	•	2 4 200 M	8 Yes		No
Number of Sources Initial Monitoring Year Monitoring Assistance Progr Evaluation completed by Phone Based upon data subm	am (MAP) Sys Donna Caldo Drinking Wa 602-771-464 itted by the w	stem eron, N ter Mo 11 ater sy	flanager nitoring a Di stem, AD	nd Protec i te EQ has d	etermined	2 4 200 M	8 Yes	m is	
Number of Sources Initial Monitoring Year Monitoring Assistance Progr Evaluation completed by Phone Based upon data submourrently delivering wat	am (MAP) System (M	stem eron, N ter Mo I1 ater sy water	flanager nitoring a Di stem, AD quality sta	nd Pretec ite EQ has d indards re	etermined equired by	2 4 200 M	8 Yes	m is	
Number of Sources Initial Monitoring Year Monitoring Assistance Progr Evaluation completed by Phone Based upon data submourrently delivering wat Administrative Code, T	am (MAP) System (M	stem eron, N ter Mo 11 ater sy water er 4, ar	flanager nitoring a Di stem, AD quality stand	nd Protect ate EQ has d andards re in comp	etermined equired by oliance.	2 4 200 M Feb that 40 C	8 Yes ruary 3, 2 this syste	em is Arizona	
Number of Sources Initial Monitoring Year Monitoring Assistance Progr Evaluation completed by Phone Based upon data submourrently delivering wat Administrative Code, T Based upon the monitoring Number 1 of 100 of 10	am (MAP) System (M	stem eron, Mo ter Mo 11 ater sy water er 4, ar rting de	flanager nitoring a Di stem, AD quality stand PWS is	nd Protect ate EQ has d andards re in comp a noted at	etermined equired by bliance. bove, ADE	2 4 200 X Feb that 40 C	8 Yes ruary 3, 2 this syste	em is Arizona ermin e	if
Number of Sources Initial Monitoring Year Monitoring Assistance Progr Evaluation completed by Phone Based upon data submater currently delivering wat Administrative Code, T Based upon the monitor this system is currently	Donna Calde Drinking Wa 602-771-464 itted by the water that meets itle 18, Chaptering and reported	stem eron, N ter Mo 11 ater sy water er 4, ar rting de	flanager nitoring a Distem, AD quality stand PWS is officiencies the meets w	nd Protect ate EQ has d andards re in comp anoted at ater quali	etermined equired by bliance. bove, ADE ty standar	2 4 200 Feb that 40 C	8 Yes Yes ruary 3, 2 this syste	em is Arizona ermin e 40 CF	if
Number of Sources Initial Monitoring Year Monitoring Assistance Progr Evaluation completed by Phone Based upon data submourrently delivering wat Administrative Code, This system is currently 141/Arizona Administrative	am (MAP) System (M	stem eron, Noter Mo 11 ater sy water er 4, ar rting de ter that	Manager nitoring a Distem, AD quality stand PWS is a distribution in the control of the control	nd Protect ate EQ has d andards re in comp in comp	etermined equired by bliance. bove, ADE ty standar WS is no	2 4 200 Feb that 40 C Q ca ds re t in c	Yes ruary 3, 2 this syste CFR 141//	em is Arizona ermine 40 CF ce .	if R
Number of Sources Initial Monitoring Year Monitoring Assistance Progr Evaluation completed by Phone Based upon data submater currently delivering wat Administrative Code, T Based upon the monitor this system is currently	Donna Calde Drinking Wa 602-771-464 litted by the water that meets itle 18, Chapte oring and report delivering water tive Code, Tit-	eron, Noter Mol 11 ater sy water er 4, ar rting de ter that le 18, (enance	Manager Distem, AD quality stand PWS is efficiencies to meets we Chapter 4	nd Protect ate EQ has d andards re in comp noted at ater quali and/or P	etermined equired by liance. bove, ADE ty standar WS is no I above, A	Feb that 40 CQ ca ds ret in cQ DEQ	Yes Yes ruary 3, 2 this syste CFR 141// Innot det quired by complian cannot e	em is Arizona ermine 40 CF ce. determ	if R

This compliance status report does not guarantee the water quality for this system in the future, and does not reflect the status of any other water system owned by this utility company.

Arizona Department of Environmental Quality

Drinking Water Monitoring and Protection Unit
Mail Code 5415B-2
1110 West Washington Street
Phoenix, AZ 85007

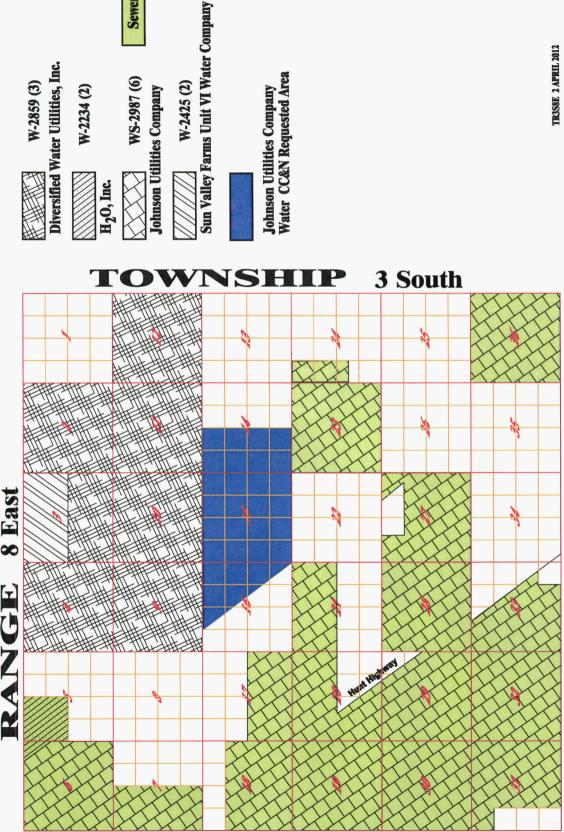
Drinking Water Compliance Status Report

System Name System Type JOHNSON UTILITIES ⊠ Community	is system consecutive?
JOHNSON UTILITIES Community	Yes,
System ID # Non-transient Non-commun	ity to PWS#
11128 Transient Non-community	⊠ No
Overall compliance status No major deficiencies	Major deficiencies
Monitoring and Reporting status ⊠ No major deficiencies	☐ Major deficiencies
Comments: None	· ·
	,
Operation and Maintenance status No major deficiencies	☐ Major deficiencies
Date of last Sanitary Survey 9-28-10 Inspector Karen Berry	y, PHX
Major unresolved/ongoing operation and maintenance deficiencies:	
unable to maintain 20psi inade	equate storage
cross connection/backflow problems surfa	ce water treatment rule
☐ treatment deficiencies ☐ ATC/	AOC
certified operator other	· =
Comments: None	
	•
	,
Is an ADEQ administrative order in effect?	☐ Yes ⊠ No
Comments: None	
Contain Information	
System Information	
Population Served	54242
Population Served Service Connections	19372
Population Served Service Connections Number of Entry Points to the Distribution System	19372 10
Population Served Service Connections Number of Entry Points to the Distribution System Number of Sources	19372 10 14
Population Served Service Connections Number of Entry Points to the Distribution System Number of Sources Initial Monitoring Year	19372 10 14 2000
Population Served Service Connections Number of Entry Points to the Distribution System Number of Sources	19372 10 14
Population Served Service Connections Number of Entry Points to the Distribution System Number of Sources Initial Monitoring Year Monitoring Assistance Program (MAP) System	19372 10 14 2000
Population Served Service Connections Number of Entry Points to the Distribution System Number of Sources Initial Monitoring Year Monitoring Assistance Program (MAP) System Evaluation completed by Donna Calderon, Manager	19372 10 14 2000 X Yes No
Population Served Service Connections Number of Entry Points to the Distribution System Number of Sources Initial Monitoring Year Monitoring Assistance Program (MAP) System Evaluation completed by Donna Calderon, Manager Drinking Water Monitoring and Protection Use	19372 10 14 2000 Yes No
Population Served Service Connections Number of Entry Points to the Distribution System Number of Sources Initial Monitoring Year Monitoring Assistance Program (MAP) System Evaluation completed by Drinking Water Monitoring and Protection Use Phone 602-771-4641 Date	19372 10 14 2000 Yes No
Population Served Service Connections Number of Entry Points to the Distribution System Number of Sources Initial Monitoring Year Monitoring Assistance Program (MAP) System Evaluation completed by Donna Calderon, Manager Drinking Water Monitoring and Protection Use 602-771-4641 Based upon data submitted by the water system, ADEQ has determined to the Date of Connection Use 1 and	19372 10 14 2000 Yes No nit February 3, 2012 Ined that this system is
Population Served Service Connections Number of Entry Points to the Distribution System Number of Sources Initial Monitoring Year Monitoring Assistance Program (MAP) System Evaluation completed by Donna Calderon, Manager Drinking Water Monitoring and Protection University Description of the Color of Col	19372 10 14 2000 No No nit February 3, 2012 Ined that this system is d by 40 CFR 141/Arizona
Population Served Service Connections Number of Entry Points to the Distribution System Number of Sources Initial Monitoring Year Monitoring Assistance Program (MAP) System Evaluation completed by Donna Calderon, Manager Drinking Water Monitoring and Protection University Description of the Water System, ADEQ has determined by the Water System Sy	19372 10 14 2000 Yes No nit February 3, 2012 ined that this system is d by 40 CFR 141/Arizona e.
Population Served Service Connections Number of Entry Points to the Distribution System Number of Sources Initial Monitoring Year Monitoring Assistance Program (MAP) System Evaluation completed by Donna Calderon, Manager Drinking Water Monitoring and Protection University Description (MAP) Phone 602-771-4641 Date Based upon data submitted by the water system, ADEQ has determing currently delivering water that meets water quality standards required Administrative Code, Title 18, Chapter 4, and PWS is in compliance Based upon the monitoring and reporting deficiencies noted above, A	19372 10 14 2000 No
Service Connections	19372 10 14 2000 Yes No nit February 3, 2012 Ined that this system is d by 40 CFR 141/Arizona e. ADEQ cannot determine if indards required by 40 CFR
Service Connections	19372 10 14 2000 X Yes No nit February 3, 2012 Ined that this system is d by 40 CFR 141/Arizona e. ADEQ cannot determine if ndards required by 40 CFR a not in compliance.
Service Connections	19372 10 14 2000 Yes No nit February 3, 2012 Ined that this system is d by 40 CFR 141/Arizona e. ADEQ cannot determine if ndards required by 40 CFR is not in compliance. e, ADEQ cannot determine if

This compliance status report does not guarantee the water quality for this system in the future, and does not reflect the status of any other water system owned by this utility company.

Attachment 4

GOUNTER Pinal



Sewer

TR3S8E 2 APRIL 2012

CC & N Legal Description for T3S, R8E

All of the West Half of Section 14;

All of Section 15;

All of the Eastern portion of Section 16 presently within the Johnson Utilities Co.

Sewer C.C. & N.; all in Township 3 South, Range 8 East, being more particularly described as follows:

Beginning at the Southeast Corner of Section 16;

Thence North 37° 07'25" West along the Sothern Pacific Railroad Right-of-Way, a distance of 6619.56 feet to a point on the North line of Section 16;

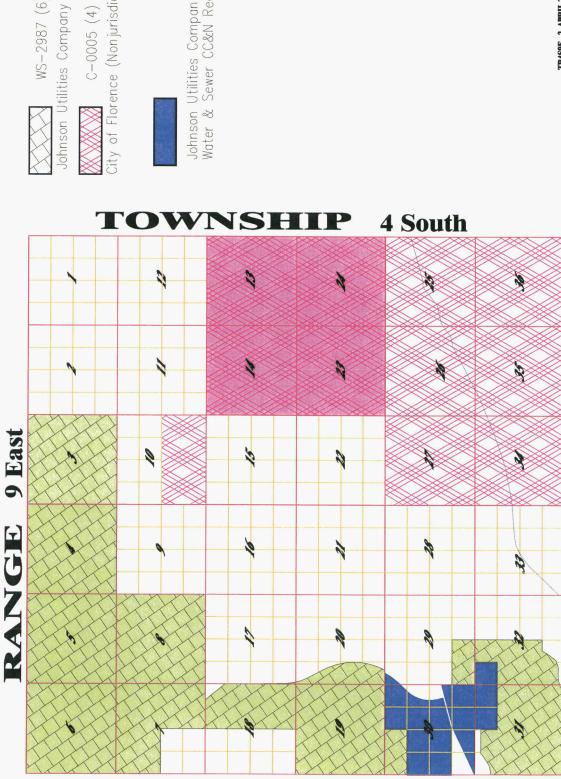
Thence North 89°59'17"East along the North Line of Section 16, 15, and 14, a distance of 11,915.14 feet to the North Quarter Corner of Section 14;

Thence South 00°00'00" East, along the North-South Mid-Section Line of Section 14 a distance of 5280.00 feet to the South Quarter Corner of Section 14;

Thence South 89°59'47" West along the South Section Lines of Sections 14, 15, and 16 a stance of 7920.00 feet the Southeast Corner of Section 16 and the TRUE POINT OF BEGINNING;

Attachment 5

GO ULTIME Pinal



Johnson Utilities Company Water & Sewer CC&N Requested Area C-0005 (4) Ser C-0005 (4)

WS-2987 (6)

TR4S9E 2 APRIL 2012



<u>Pulte/Southwest Value Partners</u> Water and Sewer CC&N Request – Boundary Description

A Parcel of Land lying within the Northwest Quarter of Section 29, Section 30, the Northeast Quarter of Section 31 and the Northwest Quarter of Section 32, Township 4 South, Range 9 East, of the Gila and Salt River Meridian, Pinal County, Arizona, more particularly described as follows:

Commencing at the North Quarter Corner of Section 30 (#5 RB w/2" AC LS 21065, Found), said point being the <u>POINT OF BEGINNING</u> from which the Northeast Corner of Section 30 (#5 RB w/2" AC LS 21065) bears South 89 degrees 55 Minutes 26 Seconds East (Basis of Bearing), a distance of 2622.97 feet;

Thence, South 89 Degrees 55 Minutes 26 Seconds East, a distance of 2622.97 feet;

Thence, North 89 Degrees 54 Minutes 12 Seconds East, a distance of 698.65 feet;

Thence Southwesterly, an arc distance of 1126.18 feet along a curve to the Right having a radius of 3932.50 feet and a central angle of 16 Degrees 24 Minutes 30 Seconds;

Thence, South 44 Degrees 31 Minutes 58 Seconds West, a distance of 550.46 feet;

Thence Southerly, an arc distance of 1983.37 feet along a curve to the Left having a radius of 1917.50 feet and a central angle of 59 Degrees 15 Minutes 50 Seconds:

Thence, South 14 Degrees 43 Minutes 53 Seconds East, a distance of 375.12 feet;

Thence, North 75 Degrees 16 Minutes 42 Seconds East, a distance of 769.90 feet;

Thence, South 00 Degrees 00 Minutes 01 Seconds East, a distance of 1989.42 feet;

Thence, North 89 Degrees 52 Minutes 02 Seconds East, a distance of 1310.57 feet;

Thence, South 00 Degrees 25 Minutes 32 Seconds East, a distance of 1320.60 feet;

Thence, South 89 Degrees 52 Minutes 20 Seconds West, a distance of 1310.49 feet;

Thence, North 89 Degrees 58 Minutes 36 Seconds West, a distance of 2612.18 feet;

Thence, North 00 Degrees 23 Minutes 06 Seconds West, a distance of 1321.04 feet;

Thence, North 89 Degrees 57 Minutes 22 Seconds West, a distance of 2620.60 feet;

Thence, North 00 Degrees 25 Minutes 48 Seconds West, a distance of 75.00 feet;

Thence, North 64 Degrees 43 Minutes 42 Seconds East, a distance of 2699.25 feet;

Thence, North 74 Degrees 31 Minutes 20 Seconds East, a distance of 344.72 feet;



Thence, North 89 Degrees 57 Minutes 08 Seconds West, a distance of 2782.50 feet;

Thence, North 00 Degrees 25 Minutes 48 Seconds West, a distance of 1321.69 feet;

Thence, North 00 Degrees 25 Minutes 29 Seconds West, a distance of 1322.48 feet;

Thence South 89 Degrees 55 Minutes 50 Seconds East, a distance of 2641.28 feet;

Thence North 00 Degrees 07 Minutes 47 Seconds West, a distance of 1321.63 feet to the POINT OF BEGINNING.

Containing 607.41 acres, more or less.

Attachment 6

Engineering Report for

Sections 29, 30, 31 and 32. T4S, R9E

This area to be added to the Johnson Utilities' CC & N system will consist of both water and sewer facilities.

The water improvements will consist of a water storage facility and at least 3 wells, along with the infrastructure piping to get the water to the different developments within the area. The onsite water systems will deliver the water to the units.

The sewer system required to serve the area will consist of an infrastructure system that will collect the sewage into a lift station and carry the flows through a force main to the Anthem WRP.

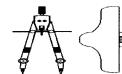
Engineering Report for

Sections 14, 15, &16 T3S, R8E

This area to be added to the Johnson Utilities' CC & N system is for water facilities only. The sewer facilities were added to the CC&N under a separate application.

The water improvements will consist of a 1 million gallon water storage facility and at least 3 wells, along with the 12" infrastructure piping to connect into Johnson Utilities existing 11-128 water system. The onsite water systems will deliver the water to the residential and commercial units.

Attachment 7



5310 E. SHEA BOULEVARD SUITE : SCOTTSDALE, ARIZONA 85254 Phone: (480) 596—6335 FAX: (480) 596—6437

PROJECT NO.

NO. of LOTS: N/A

BY: JOHNSON UTILITY LLC

PRELIMINARY CONSTRUCTION ESTIMATE

DATE: 4/03/2012

CC & N SEWER EXPANSION

PROJECT: CC & N EXPANSION

Description	Unit	Approximate Quantity	Unit Price	TOTAL
SECTION 29, 30, 31, & 32 INFRASTRUCTURE	EA	1	877,880.00	\$877,880.00
SECTION 29,30, 31, & 32 T4S, R9E ONSITE	EA	1	3,026,800.00	\$3,026,800.00
TOTAL				\$3,904,680.00
WATER RECLAMATION PLANT	EA	1	4,049,136.00	\$4,049,136.00
618 acres x 3.5 DU/acre x 187.2 gal/DU x \$10/gal	2,163	404,913.60	4,049,136.00	2000 (000)
618	561	105,000	1,050,000.00	\$10.02
	SUBTOTAL			\$7,953,816.00

Note: Specific Engineering LLC has no control over the costs of labor, materials or equipment or over any contractor's method of determining prices or over competitive bidding or market conditions. Consequently, the estimates of cost contained herein represent Specific Engineering, LLC's opinions of probable cost and are made solely on the basis of experience and qualifications and represent only a best judgement as a design professional familiar with the construction industry. Specific Engineering LLC cannot and does not guarantee that proposals, bids or final construction costs will not vary from opinions of probable cost prepared by Specific Engineering LLC.



ENGINEER'S OPINION OF PROBABLE COST

PROJECT: Sec 29, 30,31 & 32 T4S, R9E INFRASTRUCTURE

4/03/02012

SEWER -Sec 29, 30, 31,& 32 T4S, R9E INFRASTRUCTURE

PROJECT NO. 3010A007

NO. of LOTS: N.A.

BY: Johnson Utilities-CC & N Cost Est.

Description	Unit	Approximate Quantity	Unit Price	TOTAL
12" SDR 35 PVC PIPE	LF	2640	\$25.00	\$66,000.00
10" SDR 35 PVC PIPE	LF	2640	\$18.00	\$47,520.00
8" SDR 35 PVC PIPE	LF	1320	\$13.00	\$17,160.00
4' DIA MANHOLE	EA	7	\$2,600.00	\$18,200.00
5' DIA MANHOLE	EA	7	\$3,000.00	\$21,000.00
LIFT STATION	EA	1	\$600,000.00	\$600,000.00
FORCE MAIN-10 INCH C-900 PVC	LF	2,600	30.00	\$78,000.00
DIRECTIONAL BORE	LF	120	250.00	\$30,000.00
	SUBTOTAL			\$877,880.00

Note: Specific Engineering LLC has no control over the costs of labor, materials or equipment or over any contractor's method of determining prices or over competitive bidding or market conditions. Consequently, the estimates of cost contained herein represent Specific Engineering, LLCs opinions of probable cost and are made solely on the basis of experience and qualifications and represent only a best judgement as a design professional familiar with the construction industry. Specific Engineering, LLC cannot and does not guarantee that proposals, bids or final construction costs will not vary from opinions of probable cost prepared by Specific Engineering, LLC.



ENGINEER'S OPINION OF PROBABLE COST

PROJECT: Sec 29, 30, 31, & 32 T4S, R9E ONSITE

April 3, 2012

SEWER -Sec 29, 30, 31, 32 T4S R9E ONSITE

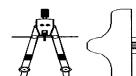
PROJECT NO. 3010A007

NO. of LOTS: N.A.

BY: Johnson Utilities-CC & N Cost Est.

Description	Unit	Approximate Quantity	Unit Price	TOTAL
ONSITE COST PER UNIT	LOT	2162	\$1,400.00	\$3,026,800.00
	SUBTOTAL			\$3,026,800.00

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5310 E. SHEA BOULEVARD SUITE . SCOTTSDALE, ARIZONA 85254 Phone: (480) 596–6335 FAX: (480) 596–6437

PROJECT NO.

NO. of LOTS: N/A

BY: JOHNSON UTILITY LLC

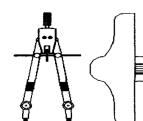
PRELIMINARY CONSTRUCTION ESTIMATE PROJECT: CC & N EXPANSION SUMMARY

DATE: 4/02/2012

2012 CC & N WATER EXPANSION

Description	Unit	Approximate Quantity	Unit Price	TOTAL
SEC 14,15,&16T3S,R8E ONSITE INFRASTRUCTURE	EA	1	2,567,640.00	\$2,567,640.00
SECTION14,15, & 16 T3S, R8E WATER WELLS	EA	1	1,360,592.00	\$1,360,592.00
SECTION 14,15, & 16 T3S, R8E WATER PLANT	EA	1	2,077,152.00	\$2,077,152.00
SECTION 14, 15, & 16 T3S,R8E ONSITE	EA	1	5,444,250.00	\$5,444,250.00
SEC 29,30, 31&32T4S,R9E ONSITE INFRASTRUCTURE	EA	1	918,620.00	\$918,620.00
SECTION29,30, 31 & 32 T4S, R9E WATER WELLS	EA	1	1,360,592.00	\$1,360,592.00
SECTION 29,30, 31 & 32 T4S, R9E WATER PLANT	EA	1	2,077,152.00	\$2,077,152.00
SECTION 29, 30, 31& 32 T4S,R9E ONSITE	EA	1	2,623,000.00	\$2,623,000.00
	SUBTO	L ΓAL		\$18,428,998.01

Note: Specific Engineering LLC has no control over the costs of labor, materials or equipment or over any contractor's method of determining prices or over competitive bidding or market conditions. Consequently, the estimates of cost contained herein represent Specific Engineering, LLC's opinions of probable cost and are made solely on the basis of experience and qualifications and represent only a best judgement as a design professional familiar with the construction industry. Specific Engineering LLC cannot and does not guarantee that proposals, bids or final construction costs will not vary from opinions of probable cost prepared by Specific Engineering LLC.



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PRELIMINARY CONSTRUCTION ESTIMATE

PROJECT :Sec 14,15,& 16 T3S, R8E

13-Jul-11

10-041-11

PROJECT NO.

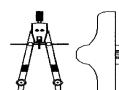
NO. of LOTS: N/A

BY: JOHNSON UTILITY LLC

WATER INFRASTRUCTURE

Description	Unit	Approximate Quantity	Unit Price	TOTAL
12" AWWA C900 DR 18 PVC 150psi	LF	36,960	51.00	\$1,884,960.00
10" AWWA C900 DR 18 PVC 150psi	LF	10,560	40.00	\$422,400.00
8" AWWA C900 DR 18 PVC 150psi	LF	5,280	20.00	\$105,600.00
12" GATE VALVE, BOX & COVER	EA	46	1,870.00	\$86,020.00
10" GATE VALVE, BOX & COVER	EA	13	1,350.00	\$17,550.00
8" GATE VALVE, BOX & COVER	EA	7	890.00	\$6,230.00
PVC WATER MAIN LOCATING TAPE	LF	52,800	0.85	\$44,880.00
	SUBTOT	`AL		\$2,567,640.00

Note: Specific Engineering LLC has no control over the costs of labor, materials or equipment or over any contractor's method of determining prices or over competitive bidding or market conditions. Consequently, the estimates of cost contained herein represent Specific Engineering, LLC's opinions of probable cost and are made solely on the basis of experience and qualifications and represent only a best judgement as a design professional familiar with the construction industry. Specific Engineering LLC cannot and does not guarantee that proposals, bids or final construction costs will not vary from opinions of probable cost prepared by Specific Engineering LLC.



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<u> </u>	l
PROJECT NO:	
NO. of LOTS:	

BY: Specific Engineering, LLC

PROJECT: SEC14, 15, & 16, T3S, R 8 E WATER WELLS

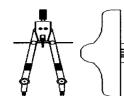
7/13/2011

ENGINEER'S ESTIMATE

This is for 2 wells w/o water plants-1 per setion

Description	Unit	Approximate Quantity	Unit Price	TOTAL
SITE PREPARATION	SY	556	\$2.88	\$1,604.00
8" DUCTILE IRON PIPE	LF	120	86.00	\$10,320.00
8" GATE VALVE	EA	4	890.00	\$3,560.00
WATER METER	EA	2	4,794.00	\$9,588.00
CONSTRUCT WELL	EA	2	288,456.00	\$576,912.00
INSTALL WELL PUMP	EA	2	325,120.00	\$650,240.00
SCADA-TELEMETRY	LS	2	25,000.00	\$50,000.00
SITE ELECTRICAL	LS	2	20,000.00	\$40,000.00
8' CHAIN LINK FENCE	LF	352	34.00	\$11,968.00
12' CHAIN LINK DOUBLE SWING GATE	EA	4	1,600.00	\$6,400.00
	TOTAL			\$1,360,592.00

Note: Specific Engineering LLC has no control over the costs of labor, materials or equipment or over any contractor's method of determining prices or over competitive bidding or market conditions. Consequently, the estimates of cost contained herein represent Specific Engineering, LLC's opinions of probable cost and are made solely on the basis of experience and qualifications and represent only a best judgement as a design professional familiar with the construction industry. Specific Engineering, LLC canr and does not guarantee that proposals, bids or final construction costs will not vary from opinions of probable cost prepared by Specific Engineering, LLC.



5310 E. SHEA BOULEVARD SUITE 2 SCOTTSDALE, ARIZONA 85254 Phone: (480) 596–6335 FAX: (480) 596–6437

PROJE	CT NO:
NO a	EL OTC.

BY: Specific Engineering, LLC

ENGINEER'S ESTIMATE

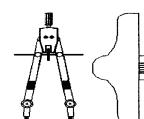
PROJECT: Sec 14, 15, & 16, T3S, R8E Water Plants
DATE: 07/13/2011

WATER PLANTS

This estimate includes an onsite well.

Description	Unit	Approximate Quantity	Unit Price	TOTAL
SITE PREPARATION	SY	150,800	\$2.88	\$434,304.00
1,000,000 GAL. STORAGE TANK	EA	1	689,325.00	\$689,325.00
10,000 GAL. HYDROPNEUMATIC TANK	EA	1	56,985.00	\$56,985.00
75 HP PUMP	EA	3	12,726.00	\$38,178.00
50 HP PUMP	EA	2	8,490.00	\$16,980.00
18 DUCTILE IRON PIPE	LF	230	229.00	\$52,670.00
8" DUCTILE IRON PIPE	LF	85	86.00	\$7,310.00
18" BUTTERFLY VALVE	EA	3	3,200.00	\$9,600.00
8" BUTTERFLY VALVE	EA	1	1,730.00	\$1,730.00
WATER METER	EA	1	4,794.00	\$4,794.00
CONSTRUCT WELL	EA	1	288,456.00	\$288,456.00
INSTALL WELL PUMP	EA	1	325,120.00	\$325,120.00
SCADA-TELEMETRY	LS	1	32,520.00	\$32,520.00
SITE ELECTRICAL	LS	1	49,490.00	\$49,490.00
8' CHAIN LINK FENCE	LF	1,870	34.00	\$63,580.00
24' CHAIN LINK DOUBLE SWING GATE	EA	2	3,055.00	\$6,110.00
	TOTAL			\$2,077,152.00

Note: Specific Engineering LLC has no control over the costs of labor, materials or equipment or over any contractor's method of determining prices or over competitive bidding or market conditions. Consequently, the estimates of cost contained herein represent Specific Engineering, LLC's opinions of probable cost and are made solely on the basis of experience and qualifications and represent only a best judgement as a design professional familiar with the construction industry. Specific Engineering, LLC canr and does not guarantee that proposals, bids or final construction costs will not vary from opinions of probable cost prepared by Specific Engineering, LLC.



5310 E. SHEA BOULEVARD SUITE 2 SCOTTSDALE, ARIZONA 85254 Phone: (480) 596–6335 FAX: (480) 596–6437

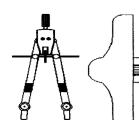
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PRELIMINARY CONSTRUCTION ESTIMATE PROJECT NO. PROJECT : Sec14,15, & 16 T3S, R8E ONSITE NO. of LOTS: N/A 13-Jul-11 BY: JOHNSON UTILITY LLC

ONSITE WATER

Description	Unit	Approximate Quantity	Unit Price	TOTAL
ONSITE COST PER UNIT	LOT	3,570	1,525.00	\$5,444,250.00
			. "	
	SUBTO	ΓAL		\$5,444,250.00

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5310 E. SHEA BOULEVARD SUITE 2 SCOTTSDALE, ARIZONA 85254 Phone: (480) 596–6335 FAX: (480) 596–6437

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PRELIMINARY CONSTRUCTION ESTIMATE

PROJECT :Sec 29,30, 31 & 32 T4S, R9E

2-Apr-12

PROJECT NO.

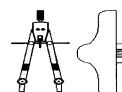
NO. of LOTS: N/A

BY: JOHNSON UTILITY LLC

WATER INFRASTRUCTURE

Description	Unit	Approximate Quantity	Unit Price	TOTAL
12" AWWA C900 DR 18 PVC 150psi	LF	12,320	51.00	\$628,320.00
10" AWWA C900 DR 18 PVC 150psi	LF	3,520	40.00	\$140,800.00
8" AWWA C900 DR 18 PVC 150psi	LF	1,760	20.00	\$35,200.00
12" GATE VALVE, BOX & COVER	EA	16	1,870.00	\$29,920.00
10" GATE VALVE, BOX & COVER	EA	5	1,350.00	\$6,750.00
8" GATE VALVE, BOX & COVER	EA	3	890.00	\$2,670.00
24"SLEEVE AND BORE	EA	2	30,000.00	\$60,000.00
PVC WATER MAIN LOCATING TAPE	LF	17,600	0.85	\$14,960.00
	SUBTOT	'AL		\$918,620.00

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ENGINEER'S ESTIMATE

SPECIFIC ENGINEERING, LLC.

5310 E. SHEA BOULEVARD SUITE 2 SCOTTSDALE, ARIZONA 85254 Phone: (480) 596–6335 FAX: (480) 596–6437

PROJECT NO:	
NO. of LOTS:	

BY: Specific Engineering, LLC

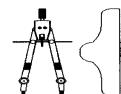
4/2/2012

PROJECT: SEC29, 30, 31 & 32, T4S, R 9 E WATER WELLS

This is for 2 wells w/o water plants

Description	Unit	Approximate Quantity	Unit Price	TOTAL
SITE PREPARATION	SY	556	\$2.88	\$1,604.00
8" DUCTILE IRON PIPE	LF	120	86.00	\$10,320.00
8" GATE VALVE	EA	4	890.00	\$3,560.00
WATER METER	EA	2	4,794.00	\$9,588.00
CONSTRUCT WELL	EA	2	288,456.00	\$576,912.00
INSTALL WELL PUMP	EA	2	325,120.00	\$650,240.00
SCADA-TELEMETRY	LS	2	25,000.00	\$50,000.00
SITE ELECTRICAL	LS	2	20,000.00	\$40,000.00
8' CHAIN LINK FENCE	LF	352	34.00	\$11,968.00
12' CHAIN LINK DOUBLE SWING GATE	EA	4	1,600.00	\$6,400.00
	TOTAL			\$1,360,592.00

Note: Specific Engineering LLC has no control over the costs of labor, materials or equipment or over any contractor's method of determining prices or over competitive bidding or market conditions. Consequently, the estimates of cost contained herein represent Specific Engineering, LLC's opinions of probable cost and are made solely on the basis of experience and qualifications and represent only a best judgement as a design professional familiar with the construction industry. Specific Engineering, LLC canr and does not guarantee that proposals, bids or final construction costs will not vary from opinions of probable cost prepared by Specific Engineering, LLC.



5310 E. SHEA BOULEVARD SUITE 2 SCOTTSDALE, ARIZONA 85254 Phone: (480) 596–6335 FAX: (480) 596–6437

PROJECT NO:	
NO of LOTS:	

BY: Specific Engineering, LLC

ENGINEER'S ESTIMATE

PROJECT: Sec 29, 30, 31, & 16, T4S, R9E Water Plant

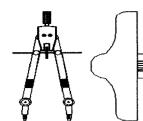
4/2/2012

WATER PLANT

This estimate includes an onsite well.

Description	Unit	Approximate Quantity	Unit Price	TOTAL
SITE PREPARATION	SY	150,800	\$2.88	\$434,304.00
1,000,000 GAL. STORAGE TANK	EA	1	689,325.00	\$689,325.00
10,000 GAL. HYDROPNEUMATIC TANK	EA	1	56,985.00	\$56,985.00
75 HP PUMP	EA	3	12,726.00	\$38,178.00
50 HP PUMP	EA	2	8,490.00	\$16,980.00
18 DUCTILE IRON PIPE	LF	230	229.00	\$52,670.00
8" DUCTILE IRON PIPE	LF	85	86.00	\$7,310.00
18" BUTTERFLY VALVE	EA	3	3,200.00	\$9,600.00
8" BUTTERFLY VALVE	EA	1	1,730.00	\$1,730.00
WATER METER	EA	1	4,794.00	\$4,794.00
CONSTRUCT WELL	EA	1	288,456.00	\$288,456.00
INSTALL WELL PUMP	EA	1	325,120.00	\$325,120.00
SCADA-TELEMETRY	LS	1	32,520.00	\$32,520.00
SITE ELECTRICAL	LS	1	49,490.00	\$49,490.00
8' CHAIN LINK FENCE	LF	1,870	34.00	\$63,580.00
24' CHAIN LINK DOUBLE SWING GATE	EA	2	3,055.00	\$6,110.00
	TOTAL			\$2,077,152.00

Note: Specific Engineering LLC has no control over the costs of labor, materials or equipment or over any contractor's method of determining prices or over competitive bidding or market conditions. Consequently, the estimates of cost contained herein represent Specific Engineering, LLC's opinions of probable cost and are made solely on the basis of experience and qualifications and represent only a best judgement as a design professional familiar with the construction industry. Specific Engineering, LLC canrand does not guarantee that proposals, bids or final construction costs will not vary from opinions of probable cost prepared by Specific Engineering, LLC.



ONSITE WATER

SPECIFIC ENGINEERING, LLC.

5310 E. SHEA BOULEVARD SUITE SCOTTSDALE, ARIZONA 85254 Phone: (480) 596–6335 FAX: (480) 596–6437

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PRELIMINARY CONSTRUCTION ESTIMATE	PROJECT NO.			
PROJECT : Sec 29,30, 31 & 32 T4S, R9E ONSITE	NO. of LOTS: N/A			
2-Apr-12	BY: JOHNSON LITILITY LLC			

Description	Unit	Approximate Quantity	Unit Price	TOTAL
ONSITE COST PER UNIT	LOT	1,720	1,525.00	\$2,623,000.00
	SUBTO	ΓAL		\$2,623,000.00

Note: Specific Engineering LLC has no control over the costs of labor, materials or equipment or over any contractor's method of determining prices or over competitive bidding or market conditions. Consequently, the estimates of cost contained herein represent Specific Engineering, LLC's opinions of probable cost and are made solely on the basis of experience and qualifications and represent only a best judgement as a design professional familiar with the construction industry. Specific Engineering LLC cannot and does not guarantee that proposals, bids or final construction costs will not vary from opinions of probable cost prepared by Specific Engineering LLC.

Attachment 8



INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors of Johnson Utilities, L.L.C. Scottsdale, Arizona

We have compiled the balance sheet of Johnson Utilities, L.L.C. as of December 31, 2011 and 2010, and the related water and sewer comparative statements of income and expense for the years then ended included in the accompanying prescribed form. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the form prescribed by the Arizona Corporation Commission.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with requirements prescribed by the Arizona Corporation Commission and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

These financial statements are presented in accordance with the requirements of the Arizona Corporation Commission, which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Arizona Corporation Commission and is not intended to be and should not be used by anyone other than this specified party.

All other information contained in the accompanying prescribed form has not been audited, reviewed, or compiled by us and, accordingly, we assume no responsibility for that information.

ULLMANN & COMPANY, P.C. Certified Public Accountants

March 28, 2012

COMPANY NAME

JOHNSON UTILITIES, LLC

BALANCE SHEET

Acct.			ALANCE AT	1	ALANCE AT
No.	ASSETS	DE	YEAR		END OF YEAR
	ADDIO	+	1241	╁	123111
	CURRENT AND ACCRUED ASSETS				
131	Cash	\$	7,923,153	\$	3,380,711
134	Working Funds				
135	Temporary Cash Investments		-		
141	Customer Accounts Receivable		1,700,783		2,185,011
146	Notes/Receivables from Associated Companies		•		
151	Plant Material and Supplies		0		216,521
162	Prepayments		37,702		62,632
174	Miscellaneous Current and Accrued Assets		303,431		243,624
	TOTAL CURRENT AND ACCRUED ASSETS				
		\$	9,833,449	\$	6,088,499
	FIXED ASSETS		=	_	
101	Utility Plant in Service	\$	205,258,404	\$	225,606,731
103	Property Held for Future Use		3,008,114		3,139,080
105	Construction Work in Progress	Ţ	7,546,590		5,896,289
108	Accumulated Depreciation - Utility Plant		29,460,919		38,265,860
121	Non-Utility Property		126,068		126,068
122	Accumulated Depreciation - Non Utility		4,687		7,919
	TOTAL FIXED ASSETS	\$	186,473,570	\$	196,494,389
<u>.</u> .	TOTAL ASSETS	\$	196,307,019	\$	202,582,888

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page

COMPANY NAME JOHNSON UTILITIES, LLC

BALANCE SHEET - (CONTINUED)

Acct.			ALANCE AT	В	ALANCE AT	
No.			BEGINNING	END OF		
	LIABILITIES		OF YEAR		YEAR	
				-		
	CURRENT LIABILITES					
231	Accounts Payable	\$	7,004,389	\$	5,807,700	
232	Notes Payable (Current Portion)					
234	Notes/Accounts Payable to Associated Companies					
235	Customer Deposits		1,234,709		970,080	
236	Accrued Taxes		660,935	Ĺ	969,401	
237	Accrued Interest					
241	Miscellaneous Current and Accrued Liabilities					
	TOTAL CURRENT LIABILITIES	\$	8,900,033	\$	7,747,181	
	LONG-TERM DEBT (Over 12 Months)			-		
224	Long-Term Notes and Bonds	\$	600,000	\$	600,000	
	DEFERRED CREDITS					
251	Unamortized Premium on Debt	\$		\$		
252	Advances in Aid of Construction	+	110,184,940	<u> </u>	107,635,690	
255	Accumulated Deferred Investment Tax Credits	+	110,101,510		107,030,030	
271	Contributions in Aid of Construction		85,811,042		86,151,753	
272	Less: Amortization of Contributions		13,061,689		16,015,146	
281	Accumulated Deferred Income Tax	_	15,001,005		10,010,110	
201	TOTAL DEFERRED CREDITS	\$	183,534,293	\$	177,772,297	
	TO THE ATTENDED		100 40 4 00 6	_	106110450	
	TOTAL LIABILITIES	\$	192,434,326	\$	186,119,478	
	CAPITAL ACCOUNTS					
201	Common Stock Issued	\$	-	\$	-	
211	Paid in Capital in Excess of Par Value					
215	Retained Earnings					
218	Proprietary Capital (Sole Props and Partnerships)		3,872,693		16,463,410	
	TOTAL CAPITAL	\$	3,872,693	\$	16,463,410	
	TOTAL LIABILITIES AND CAPITAL	\$	196,907,019	<u> </u>	202,582,888	

COMPANY NAME JOHNSON UTILITIES, LLC

WATER COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 10,930,031	\$ 9,845,882
460	Unmetered Water Revenue		
474	Other Water Revenues	478,512	410,902
	TOTAL REVENUES	\$ 11,408,543	\$ 10,256,784
	OPERATING EXPENSES		
601	Salaries and Wages	\$ -	\$ -
610	Purchased Water	130,130	105,184
615	Purchased Power	889,658	869,614
618	Chemicals	22,597	17,934
620	Repairs and Maintenance	123,602	(49,018)
621	Office Supplies and Expense	97,665	7,897
630	Outside Services	7,249,219	8,746,754
635	Water Testing	142,914	38,637
641	Rents	69,573	76,352
650	Transportation Expenses	3,983	2,518
657	Insurance - General Liability	48,103	45,759
659	Insurance - Health and Life	3,294	1,664
666	Regulatory Commission Expense - Rate Case	26,985	33,333
675	Miscellaneous Expense	268,807	242,292
403	Depreciation Expense	1,325,321	1,454,029
408	Taxes Other Than Income	899,179	12,222
408.11	Property Taxes	653,020	726,155
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 11,954,050	\$ 12,331,326
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 38,590	\$ 31,981
421	Non-Utility Income	232,989	257,315
426	Miscellaneous Non-Utility Expenses	7,965	6,947
427	Interest Expense	47,393	66,609
	TOTAL OTHER INCOME/EXP	\$ 232,151	\$ 215,740
	NET INCOME/(LOSS)	\$ (313,356)	\$ (1,858,802)

SEWER COMPARATIVE STATEMENT OF INCOME AND EXPENSE

	OPERATING REVENUES	P	RIOR YEAR	CU	RRENT YEAR
521	Flat Rate Revenues	\$	11,381,228	\$	11,342,331
522	Measured Revenues		384,202		342,910
536	Other Wastewater Revenues		484,405		820,031
	TOTAL REVENUES	\$	12,249,835	\$	12,505,272
	OPERATING EXPENSES	l			
701	Salaries and Wages	\$	-	\$	-
710	Purchased Wastewater Treatment				
711	Sludge Removal Expense		765,547		548,272
715	Purchased Power		788,290		789,934
716	Fuel for Power Production				
718	Chemicals		111,939		193,444
720	Materials and Supplies		94,299		98,708
731	Contractual Services - Professional		6,587,659		8,324,714
735	Contractual Services - Testing		62,458		Û
736	Contractual Services - Other		646,924		0
740	Rents		737,961		744,773
750	Transportation Expense		4,143		3,078
755	Insurance Expense		57,117		47,772
765	Regulatory Commission Expense		66,930		33,333
775	Miscellaneous Expense		17,876,737		295,698
403	Depreciation Expense		2,793,713		3,543,352
408	Taxes Other Than Income		3,497		15,063
408.11	Property Taxes		542,456		654,937
409	Income Taxes				
	TOTAL OPERATING EXPENSES	\$	30,492,656	\$	15,293,078
	OTHER INCOME/EXPENSE				
419	Interest and Dividend Income	\$	41,364	\$	38,959
421	Non-Utility Income	+	232,989	-	257,315
426	Miscellaneous Non-Utility Expenses		7,965		6,947
427	Interest Expense		49,590		74,678
	TOTAL OTHER INCOME/EXP	\$	232,728	\$	214,649
	NET INCOME/(LOSS)	\$	(18,010,093)	\$	(2,573,157)

Attachment 9

Construction Timelines

Bella Vista Farms Master Planned Development: Central Arizona College plans to start construction of the off-site and on-site lines in July of 2012 and plans to complete construction by July of 2013. Residential subdivisions are not planned to start construction until 2016 and will be phased in 100 to 200 lot subdivisions.

Merrill Ranch Master Planned Development: Engineering on the onsite facilities will start at the approval of the CC&N expansion. Construction is planned to start in early 2014. This project is planned to be phased in 100 to 200 lot subdivisions.

Attachment 10

Southwest Value Partners



April 4, 2012

George H. Johnson Johnson Utilities, Inc. 5230 E Shea Boulevard Suite 200 Scottsdale AZ 85254

Dear Mr. Johnson:

SWVP-GTIS MR LLC, an Arizona limited liability company (Southwest Value Partners), hereby requests that Johnson Utilities provide water and sewer service to a portion of the project known as Merrill Ranch. A legal description of the development is attached to this letter. We understand that the property is currently outside of Johnson Utilities' CC&N and we request that you proceed with filing an application with the Arizona Corporation Commission to have our property included in your certificated area.

Should you have any further questions or need anything further for the CC&N application please feel free to contact me.

Sincerely.

Justin Mcrritt

SWVP-GTIS MR, LLC

7600 E. Doubletree Ranch Road, Ste 130

Scottsdale, AZ 85258

480-766-6763

imerritt@swvp.com



<u>Pulte/Southwest Value Partners</u> Water and Sewer CC&N Request – Boundary Description

A Parcel of Land lying within the Northwest Quarter of Section 29, Section 30, the Northeast Quarter of Section 31 and the Northwest Quarter of Section 32, Township 4 South, Range 9 East, of the Gila and Salt River Meridian, Pinal County, Arizona, more particularly described as follows:

Commencing at the North Quarter Comer of Section 30 (#5 RB w/2" AC LS 21065, Found), said point being the <u>POINT OF BEGINNING</u> from which the Northeast Comer of Section 30 (#5 RB w/2" AC LS 21065) bears South 89 degrees 55 Minutes 26 Seconds East (Basis of Bearing), a distance of 2622.97 feet;

Thence, South 89 Degrees 55 Minutes 26 Seconds East, a distance of 2622.97 feet;

Thence, North 89 Degrees 54 Minutes 12 Seconds East, a distance of 698.65 feet;

Thence Southwesterly, an arc distance of 1126.18 feet along a curve to the Right having a radius of 3932.50 feet and a central angle of 16 Degrees 24 Minutes 30 Seconds;

Thence, South 44 Degrees 31 Minutes 58 Seconds West, a distance of 550.46 feet;

Thence Southerly, an arc distance of 1983.37 feet along a curve to the Left having a radius of 1917.50 feet and a central angle of 59 Degrees 15 Minutes 50 Seconds;

Thence, South 14 Degrees 43 Minutes 53 Seconds East, a distance of 375.12 feet;

Thence, North 75 Degrees 16 Minutes 42 Seconds East, a distance of 769.90 feet;

Thence, South 00 Degrees 00 Minutes 01 Seconds East, a distance of 1989.42 feet;

Thence, North 89 Degrees 52 Minutes 02 Seconds East, a distance of 1310.57 feet;

Thence, South 00 Degrees 25 Minutes 32 Seconds East, a distance of 1320.60 feet;

Thence, South 89 Degrees 52 Minutes 20 Seconds West, a distance of 1310.49 feet;

Thence, North 89 Degrees 58 Minutes 36 Seconds West, a distance of 2612.18 feet;

Thence, North 00 Degrees 23 Minutes 06 Seconds West, a distance of 1321.04 feet;

Thence, North 89 Degrees 57 Minutes 22 Seconds West, a distance of 2620.60 feet;

Thence, North 00 Degrees 25 Minutes 48 Seconds West, a distance of 75.00 feet;

Thence, North 64 Degrees 43 Minutes 42 Seconds East, a distance of 2699.25 feet;

Thence, North 74 Degrees 31 Minutes 20 Seconds East, a distance of 344.72 feet;



Thence, North 89 Degrees 57 Minutes 08 Seconds West, a distance of 2782.50 feet;

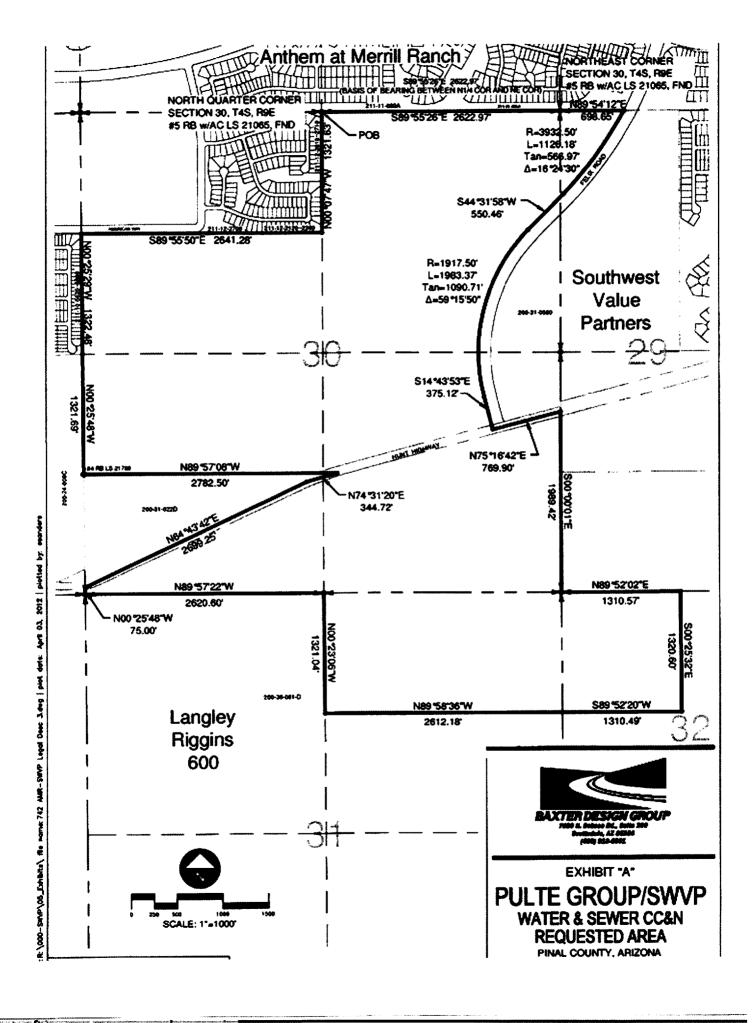
Thence, North 00 Degrees 25 Minutes 48 Seconds West, a distance of 1321.69 feet;

Thence, North 00 Degrees 25 Minutes 29 Seconds West, a distance of 1322.48 feet;

Thence South 89 Degrees 55 Minutes 50 Seconds East, a distance of 2641.28 feet;

Thence North 00 Degrees 07 Minutes 47 Seconds West, a distance of 1321.63 feet to the POINT OF BEGINNING.

Containing 607.41 acres, more or less.



BELLA SIERRA, LLC

September 1, 2011

George H. Johnson Johnson Utilities, Inc. 5230 E Shea Boulevard Suite 200 Scottsdale AZ 85254

Dear Mr. Johnson:

Bella Sierra, LLC hereby requests that Johnson Utilities provide water and sewer service to Bella Sierra, LLC. A legal description of the development is attached to this letter. We understand that the property is currently outside of Johnson Utilities' CC&N and we request that you proceed with filing an application with the Arizona Corporation Commission to have our property included in your certificated area.

Should you have any further questions or need anything further for the CC&N application please feel free to contact me.

Sincerely,

Daryl A. Wolfswinkel

Member

4159 WEST MILKY WAY CHANDLER, ARIZONA 85226 480 854-9800 480 854-9801 fix

Exhibit A

PARCEL NO. 1:

The West half of the Northeast quarter of Section 15, Township 3 South, Range 8 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona;

EXCEPT 1/16th of all oil, gas and other hydrocarbon substances, coal, stone, metals, minerals, fossils and fertilizer of every name and description and EXCEPT all materials which may be essential to production of fissionable material as reserved in Arizona Revised Statutes.

PARCEL NO. 2:

The East half of Section 10, Township 3 South, Range 8 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona;

EXCEPT all oil, gas and other hydrocarbon substances, helium or other substances of a gaseous nature, coal, metals, minerals, fossils, fertilizer of every name and description and EXCEPT all materials which may be essential to production of fissionable material as reserved in Arizona Revised Statutes.

PARCEL NO. 3:

The West 240 feet of the Northwest quarter of the Northwest quarter of the Northwest quarter of Section 11, Township 3 South, Range 8 East of the Gila and Salt River Base and meridian, Pinal County, Arizona.

April 6, 2012

George H. Johnson Johnson Utilities, Inc. 5230 E Shea Boulevard Suite 200 Scottsdale AZ 85254

Dear Mr. Johnson:

BVF Opportunity, LLC & BVF Land, LLC hereby request that Johnson Utilities provide water service to a portion of Bella Vista Farms (the "Property"). A legal description of the Property is attached to this letter as Exhibit A. We understand that the Property is currently outside of Johnson Utilities' CC&N and we request that you proceed with filing an application with the Arizona Corporation Commission to have the Property included in your certificated area.

Should you have any further questions or need anything further for the CC&N application please feel free to contact me.

Sincerely,

Timothy P. Brislin
Vice President

Harvard Investments

EXHIBIT "A"

Legal Descriptions of Parcels Owned by BVF Land, LLC & BVF Opportunity, LLC in the proposed Johnson Utilities Water Service CC&N Expansion Area

PARCEL OWNED BY BVF OPPORTUNITY, LLC (Parcel 5 only)

PARCEL NO. 5:

THE SOUTHWEST QUARTER OF SECTION 15, TOWNSHIP 3 SOUTH, RANGE 8 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA;

EXCEPT ANY PORTION LYING WITHIN PROPERTY CONVEYED TO SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT BY SPECIAL WARRANTY DEED RECORDED OCTOBER 19, 2006 AS 2006-146184, OF OFFICIAL RECORDS;

AND EXCEPT 1/16TH OF ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, COAL, STONE, METALS, MINERALS, FOSSILS, FERTILIZERS OF EVERY NAME AND DESCRIPTION:

AND EXCEPT ALL MATERIAL WHICH IS OR MAY BE DETERMINED TO BE PECULIARLY ESSENTIAL TO THE PRODUCTION OF FISSIONABLE MATERIALS, WHETHER OR NOT OF COMMERCIAL VALUE, AS RESERVED IN THE PATENT TO SAID LAND.

AND EXCEPT PORTIONS OF THE WEST HALF OF SECTION 15 AND EAST HALF OF SECTION 16, OF TOWNSHIP 3 SOUTH, RANGE 8 EAST OF THE GILA AND SALT RIVER MERIDIAN, PINAL COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A #5 REBAR WITH CAP RLS # 25070 (3" ALUMINUM CAP) LOCATED AT THE SOUTH QUARTER CORNER OF SAID SECTION 15, FROM WHICH A COTTON PICKER SPINDLE (3" ALUMINUM CAP) LOCATED AT THE SOUTHWEST CORNER OF SAID SECTION 15 BEARS SOUTH 89° 33' 39" WEST, 2690.31 FEET (SOUTH 89° 33' 53" WEST 2690.53 FEET MEASURED);

THENCE ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 15, SOUTH 89° 33' 39" WEST, 1176.99 (SOUTH 89° 33' 53" WEST 1176.00 FEET MEASURED) FEET TO THE POINT OF BEGINNING;

THENCE CONTINUING ALONG SAID SOUTH LINE, SOUTH 89° 33' 39" WEST, 1513.32 FEET (SOUTH 89° 33' 53" WEST 1514.53 FEET MEASURED) TO SAID SOUTHWEST CORNER;

THENCE ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 16, SOUTH 89° 26' 07" WEST, 159.21 FEET (SOUTH 89° 26' 20" WEST 159.14 FEET MEASURED) TO THE NORTHEASTERLY SOUTHERN PACIFIC RAILROAD RIGHT-OF-WAY LINE:

THENCE LEAVING SAID SOUTH LINE, NORTH 39° 00' 38" WEST, 2266.81 FEET (NORTH 39° 00' 38" WEST 2267.00 FEET MEASURED)ALONG SAID RIGHT-OF-WAY LINE;

THENCE LEAVING SAID RIGHT-OF-WAY LINE, NORTH 51° 02' 41" EAST, 2390.86 FEET TO A NON TANGENT CURVE CONCAVE NORTHEAST, HAVING A RADIUS OF 1500.00 FEET, THE CENTER OF WHICH BEARS NORTH 54° 58' 49" EAST;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 57° 16' 14", AN ARC LENGTH OF 1499.34 FEET;

THENCE NORTH 87° 42' 36" EAST, 1023.68 FEET TO A #5 REBAR WITH CAP RLS # 25070 LOCATED AT THE CENTER OF SAID SECTION 15;

THENCE ALONG THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 15, SOUTH 02° 17' 29" EAST, 1978.53 FEET (SOUTH 02° 17' 42" EAST, 1978.53 MEASURED):

THENCE LEAVING SAID EAST LINE, SOUTH 89° 33' 39" WEST, 1155.37 FEET (SOUTH 89° 33' 53" WEST, 1155.37 FEET MEASURED);

THENCE SOUTH 00° 26' 21" EAST, 668.47 FEET (SOUTH 00° 31' 43" EAST, 668.89 FEET MEASURED) TO THE POINT OF BEGINNING.

EXCEPT 1/16TH OF ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, COAL, STONE, METALS, MINERALS, FOSSILS, FERTILIZERS OF EVERY NAME AND DESCRIPTION;

AND EXCEPT ALL MATERIAL WHICH IS OR MAY BE DETERMINED TO BE PECULIARLY ESSENTIAL TO THE PRODUCTION OF FISSIONABLE MATERIALS, WHETHER OR NOT OF COMMERCIAL VALUE, AS RESERVED IN THE PATENT TO SAID LAND.

PARCEL OWNED BY BVF LAND, LLC (Parcels 4. 6. 7)

PARCEL NO. 4:

ALL OF SECTION 16, TOWNSHIP 3 SOUTH, RANGE 8 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, LYING NORTHEASTERLY OF THE SOUTHERN PACIFIC RIGHT-OF-WAY;

EXCEPT THE NORTH HALF OF THE NORTHEAST QUARTER AND THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 16;

AND EXCEPT 1/16TH OF ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, COAL, STONE, METALS, MINERALS, FOSSILS, FERTILIZERS OF EVERY NAME AND DESCRIPTION:

AND EXCEPT ALL MATERIAL WHICH IS OR MAY BE DETERMINED TO BE PECULIARLY ESSENTIAL TO THE PRODUCTION OF FISSIONABLE MATERIALS, WHETHER OR NOT OF COMMERCIAL VALUE, AS RESERVED IN THE PATENT TO SAID LAND.

AND EXCEPT PORTIONS OF THE WEST HALF OF SECTION 15 AND EAST HALF OF SECTION 16, OF TOWNSHIP 3 SOUTH, RANGE 8 EAST OF THE GILA AND SALT RIVER MERIDIAN, PINAL COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A #5 REBAR WITH CAP RLS # 25070 (3" ALUMINUM CAP) LOCATED AT THE SOUTH QUARTER CORNER OF SAID SECTION 15, FROM WHICH A COTTON PICKER SPINDLE (3" ALUMINUM CAP) LOCATED AT THE SOUTHWEST CORNER OF SAID SECTION 15 BEARS SOUTH 89° 33' 39" WEST, 2690.31 FEET (SOUTH 89° 33' 53" WEST 2690.53 FEET MEASURED);

THENCE ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 15, SOUTH 89° 33' 39" WEST, 1176.99 (SOUTH 89° 33' 53" WEST 1176.00 FEET MEASURED) FEET TO THE POINT OF BEGINNING;

THENCE CONTINUING ALONG SAID SOUTH LINE, SOUTH 89° 33' 39" WEST, 1513.32 FEET (SOUTH 89° 33' 53" WEST 1514.53 FEET MEASURED) TO SAID SOUTHWEST CORNER;

THENCE ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 16, SOUTH 89° 26' 07" WEST, 159.21 FEET (SOUTH 89° 26' 20" WEST 159.14 FEET MEASURED) TO THE NORTHEASTERLY SOUTHERN PACIFIC RAILROAD RIGHT-OF-WAY LINE;

THENCE LEAVING SAID SOUTH LINE, NORTH 39° 00' 38" WEST, 2266.81 FEET (NORTH 39° 00' 38" WEST 2267.00 FEET MEASURED)ALONG SAID RIGHT-OF-WAY LINE:

THENCE LEAVING SAID RIGHT-OF-WAY LINE, NORTH 51° 02' 41" EAST, 2390.86 FEET TO A NON TANGENT CURVE CONCAVE NORTHEAST, HAVING A RADIUS OF 1500.00 FEET, THE CENTER OF WHICH BEARS NORTH 54° 58' 49" EAST;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 57° 16′ 14″, AN ARC LENGTH OF 1499.34 FEET;

THENCE NORTH 87° 42' 36" EAST, 1023.68 FEET TO A #5 REBAR WITH CAP RLS # 25070 LOCATED AT THE CENTER OF SAID SECTION 15;

THENCE ALONG THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 15, SOUTH 02° 17' 29" EAST, 1978.53 FEET (SOUTH 02° 17' 42" EAST, 1978.53 MEASURED);

THENCE LEAVING SAID EAST LINE, SOUTH 89° 33' 39" WEST, 1155.37 FEET (SOUTH 89° 33' 53" WEST, 1155.37 FEET MEASURED);

THENCE SOUTH 00° 26' 21" EAST, 668.47 FEET (SOUTH 00° 31' 43" EAST, 668.89 FEET MEASURED) TO THE POINT OF BEGINNING.

EXCEPT 1/16TH OF ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, COAL, STONE, METALS, MINERALS, FOSSILS, FERTILIZERS OF EVERY NAME AND DESCRIPTION;

AND EXCEPT ALL MATERIAL WHICH IS OR MAY BE DETERMINED TO BE PECULIARLY ESSENTIAL TO THE PRODUCTION OF FISSIONABLE MATERIALS, WHETHER OR NOT OF COMMERCIAL VALUE, AS RESERVED IN THE PATENT TO SAID LAND.

PARCEL NO. 6:

THE NORTHWEST QUARTER OF SECTION 15, TOWNSHIP 3 SOUTH, RANGE 8 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA;

EXCEPT 1/16TH OF ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, COAL, STONE, METALS, MINERALS, FOSSILS, FERTILIZERS OF EVERY NAME AND DESCRIPTION:

AND EXCEPT ALL MATERIAL WHICH IS OR MAY BE DETERMINED TO BE PECULIARLY ESSENTIAL TO THE PRODUCTION OF FISSIONABLE MATERIALS, WHETHER OR NOT OF COMMERCIAL VALUE, AS RESERVED IN THE PATENT TO SAID LAND.

AND EXCEPT PORTIONS OF THE WEST HALF OF SECTION 15 AND EAST HALF OF SECTION 16, OF TOWNSHIP 3 SOUTH, RANGE 8 EAST OF THE GILA AND SALT RIVER MERIDIAN, PINAL COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A #5 REBAR WITH CAP RLS # 25070 (3" ALUMINUM CAP) LOCATED AT THE SOUTH QUARTER CORNER OF SAID SECTION 15, FROM WHICH A COTTON PICKER SPINDLE (3" ALUMINUM CAP) LOCATED AT THE SOUTHWEST CORNER OF SAID SECTION 15 BEARS SOUTH 89° 33' 39" WEST, 2690.31 FEET (SOUTH 89° 33' 53" WEST 2690.53 FEET MEASURED);

THENCE ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 15, SOUTH 89° 33' 39" WEST, 1176.99 (SOUTH 89° 33' 53" WEST 1176.00 FEET MEASURED) FEET TO THE POINT OF BEGINNING;

THENCE CONTINUING ALONG SAID SOUTH LINE, SOUTH 89° 33' 39" WEST, 1513.32 FEET (SOUTH 89° 33' 53" WEST 1514.53 FEET MEASURED) TO SAID SOUTHWEST CORNER:

THENCE ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 16, SOUTH 89° 26' 07" WEST, 159.21 FEET (SOUTH 89° 26' 20" WEST 159.14 FEET MEASURED) TO THE NORTHEASTERLY SOUTHERN PACIFIC RAILROAD RIGHT-OF-WAY LINE;

THENCE LEAVING SAID SOUTH LINE, NORTH 39° 00' 38" WEST, 2266.81 FEET (NORTH 39° 00' 38" WEST 2267.00 FEET MEASURED)ALONG SAID RIGHT-OF-WAY LINE:

THENCE LEAVING SAID RIGHT-OF-WAY LINE, NORTH 51° 02' 41" EAST, 2390.86 FEET TO A NON TANGENT CURVE CONCAVE NORTHEAST, HAVING A RADIUS OF 1500.00 FEET, THE CENTER OF WHICH BEARS NORTH 54° 58' 49" EAST;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 57° 16' 14", AN ARC LENGTH OF 1499.34 FEET;

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THENCE ALONG THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 15, SOUTH 02° 17' 29" EAST, 1978.53 FEET (SOUTH 02° 17' 42" EAST, 1978.53 MEASURED);

THENCE LEAVING SAID EAST LINE, SOUTH 89° 33' 39" WEST, 1155.37 FEET (SOUTH 89° 33' 53" WEST, 1155.37 FEET MEASURED);

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AND EXCEPT ALL MATERIAL WHICH IS OR MAY BE DETERMINED TO BE PECULIARLY ESSENTIAL TO THE PRODUCTION OF FISSIONABLE MATERIALS, WHETHER OR NOT OF COMMERCIAL VALUE, AS RESERVED IN THE PATENT TO SAID LAND.

PARCEL NO. 7:

THE NORTH HALF OF THE NORTHEAST QUARTER AND THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 3 SOUTH, RANGE 8 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA;

EXCEPT 1/16TH OF ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, COAL, STONE, METALS, MINERALS, FOSSILS, FERTILIZERS OF EVERY NAME AND DESCRIPTION;

AND EXCEPT ALL MATERIAL WHICH IS OR MAY BE DETERMINED TO BE PECULIARLY ESSENTIAL TO THE PRODUCTION OF FISSIONABLE MATERIALS, WHETHER OR NOT OF COMMERCIAL VALUE, AS RESERVED IN THE PATENT TO SAID LAND.

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THENCE LEAVING SAID EAST LINE, SOUTH 89° 33' 39" WEST, 1155.37 FEET (SOUTH 89° 33' 53" WEST, 1155.37 FEET MEASURED);

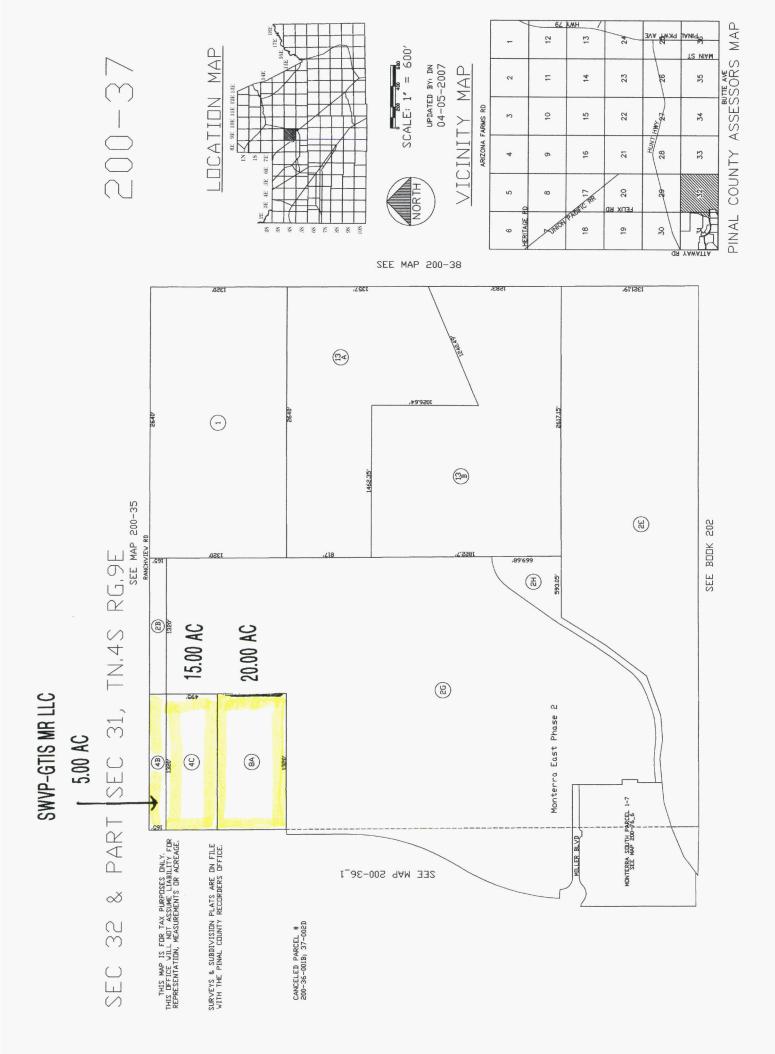
THENCE SOUTH 00° 26' 21" EAST, 668.47 FEET (SOUTH 00° 31' 43" EAST, 668.89 FEET MEASURED) TO THE POINT OF BEGINNING.

EXCEPT 1/16TH OF ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, COAL, STONE, METALS, MINERALS, FOSSILS, FERTILIZERS OF EVERY NAME AND DESCRIPTION;

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NOTE: Parcel numbers contained in this exhibit are defined in the Record of Survey 2011-092540 on file with the Pinal County, AZ Recorder's Office.

Attachment 11





Search Crite	earch Criteria (v. 2.0) (Parcel Number: 200-37-004-B)								
Search Resu	its (1 Entries	s)						Ва	ck to List
Parcel Detail	ls (200-37-0	04B)						Vie	w Details
						Ø5 L	ink to This Parce	.	Print View
Parcel Numb	er 200-37-0	04B shows	the following info	ormation	for Ta	x Year: 20	13 Tax Year Ch	<u>ert</u>	
Parcel	200-37-004B ((Taxing Information	on)	Prin	ary	SWP-GTI	SMRLLC		
Number:	,			Own	er:	•			
Section: 32	Township:	04S Range:	09E	Nam	e 2:				
Atias	047-32 Map	View Parcel N	Map	In C	/0 :				
Number:	, ,	•				Тах В	ill Mailing Add	ress	
Property De	scription: (W	hat is this?))	Add	ress:	12790 EL (CAMINO REAL STE	150	
N-165' OF E-1320	OF N 1/2 NW NV	V SEC 32-4S-9E	5.00 AC	City	:	SAN DIEG)		
				Stat	e:	CA			
				Zip (Code:	92130			
Date of Sale:	3/26/2010			Properl	y Addre	ss (Location)):		
Sale Amount:	\$27,650,400.	.00							
Document(s):				Subdivi	sion:		771.1		
2010-028693				Unit:		Block:	Lot:	Phas)e:
				Cabinet	<u> </u>		Slide:		
2010-020093			No Persona	Cabinet			Slide:		
Value Detail	s	.,						Vie	w Value

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Pinal County Government <u>Web Disdairner</u>
<u>Site Map</u> © 2012 Pinal County

New Search



Search Resu	ılts (1 Entrie:	s)					Back to	o List
Parcel Detai	ls (200-37-0	08A)					View De	etails
					%	Link to This Parcel	🖷 Print	View
Parcel Numl	рег 200-37-0	08A shows 1	the following inf	ormation fo	Tax Year:	2013 <u>Tax Year Char</u>	<u>t</u>	
Parcel	200-37-008A	(Taxing Informatio	<u>on</u>)	Primary	swp-G	TIS MR LLC		
Number:		,		Owner:				
Section: 32	Township:	04S Range:	09E	Name 2	:			
Atlas	047-32 Man	p: View Parcel N	<u>lap</u>	In C/O	:			
Number:		•			Tax	Bill Mailing Addre	ess	
Property De	scription: (W	/hat is this?)		Addres	s: 12790 EL	CAMINO REAL STE 15	0	
S1/2 NW NW OF	SEC 32-4S-9E 20	0.00 AC		City:	SANDE	GO		
				State:	CA			
				Zip Cod	e: 92130			
Date of Sale:	3/26/2010			Property A	idress (Location	n):		*********
Sale Amount:	\$27,650,400	0.00			<u>1</u>			
Document(s):				Subdivision		······	1 1	
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2010-028693				Cabinet:	BIOCK	Slide:	Phase:	_
			No Persona	l Property Lis	ted			
Value Detail	es e						View V	alue

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Search Criteria (v. 2.0) (Parcel Number: 200-37-008-A)

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Site Map © 2012 Pinal County

New Search Back to List

View Values



	ils (200-37-	004C)									View [Details
							ą	Link to	This P	arcel	🚇 Prin	t View
Parcel Num	ber 200-37-	004C s	hows t	he following info	rmation	for Ta	x Year:	2013 <u>T</u>	x Year	<u>Chart</u>		
Parcel Number:	200-37-0040	(Taxing	Informatio	<u>n</u>)	Prim Own	•	SWP	GTIS MIRI	rc			
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Atlas	047-32 Ma	p: View	v Parcel M	ap	In C	/O:						
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Property De	escription: (\	What is	this?)		Addi	ess:	12790	EL CAMIN	OREAL	STE 150		
	20' OF N 1/2 NW N				City:		SAND	EGO			**-	
					State	e:	CA					
					Zip (ode:	92130					
Date of Sale:	3/26/2010				Propert	y Addres	ss (Locat	ion):				
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2010 020000					Cabinet	:			Slide:		_1	
				No Personal	Property	Listed						

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Search Criteria (v. 2.0) (Parcel Number: 200-37-004-C)

Search Results (1 Entries)

Value Details

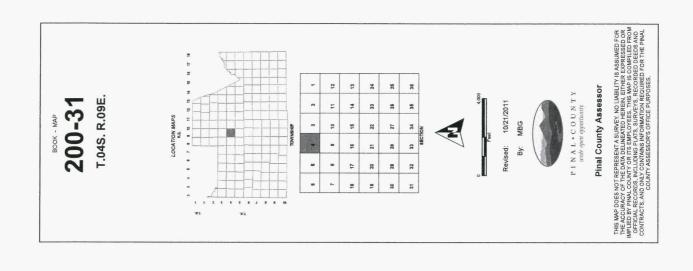
Pinal County Government <u>Web Disclaimer</u> <u>Site Map</u> © 2012 Pinal County

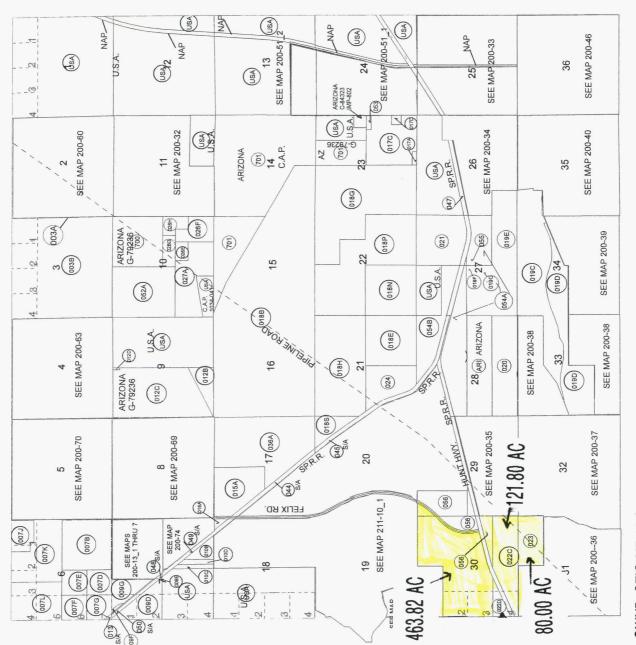


Search Crite	earch Criteria (v. 2.0) (Parcel Number: 200-31-022-C)								N	ew Sear	ch
Search Resu	lts (1 Entri	ies)							E	Back to Li	ist
Parcel Detail	s (200-31	-022	C)						V	iew Deta	ils
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Parcel Number:	200-31-022	C (Ta	king informatio	n)	Prin	•	SWVP-GTIS	MRLLC			
Section: 30	Township	: 048	Range:	09E	Nan	e 2:					
Atlas			View Parcel M		In C	/O:					
Number:	10 00 13.						Tax Bil	l Mailing Add	ress		
Property De	scription: (Wha	t is this?)		Add	ress:	12790 EL CA	MINO REAL STE	150		
\$1/2 \$1/2 OF SE	C 30 4S-9E LY	NGS	REOFOLD N	HRIGHT WAY LINE	City	•	SAN DIEGO				
SPRR 121.80 AC					Stat	e:	CA				
					Zip	Code:	92130				
Date of Sale:	3/26/2010)			Proper	ty Addre	ss (Location):				
Sale Amount:	\$27,650,4	100.00			Subdiv						
Document(s):					Unit:	ESPON:	Block:	Lot:	D	hase:	
2010-028693					Cabine	<u> </u>	DRCK.	Slide:			
		1414		No Persona	al Property	Listed					
Value Detail				No Persona	ii Property	LISTED			v	iew Valu	

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SWVP-GTIS MR LLC

New Search



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	SAN DIEGO			
e:	CA		,	
Code:	92130			
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	Block:	Lot:	Phase:	<u> </u>
:		Slide:	1	
	ress: : :e: Code:	Tax Bil ress: 12790 EL C/ : SAN DIEGO ie: CA Code: 92130 ky Address (Location): Block:	Tax Bill Mailing Address: 12790 EL CAMINO REAL STE: SAN DIEGO DE: CA Code: 92130 By Address (Location): Block: Lot:	Tax Bill Mailing Address ress: 12790 EL CAMINO REAL STE 150 : SAN DEGO ie: CA Code: 92130 ky Address (Location): Ision: Phase:

Pinal County is an Equal Opportunity Employer M/F/H/V
Send any comments, questions, criticisms, or suggestions about the website to the <u>WebMaster</u>.

Search Criteria (v. 2.0) (Parcel Number: 200-31-056-*)

Pinal County Government <u>Web Disclaimer</u> <u>Site Map</u> © 2012 Pinal County



Search Criter	ia (v. 2.0) (Parcel Num	ber: 200-31-023-*)			New Search
Search Resul	ts (1 Entries	5)					Back to List
Parcel Detail	s (200-31-0	230)					View Details
					% Li	nk to This Parcel	Print View
Parcel Numb	er 200-31-0	230 shows	the following infor	mation for T	ax Year: 20	13 <u>Tax Year Cha</u>	<u>rt</u>
Parcel	200-31-0230 (Taxing Information	<u>on</u>)	Primary	SWP-GTI	SMRLLC	
Number:				Owner:			
Section: 31	Township:	04S Range:	09E	Name 2:			
Atlas	047-31 Mag	View Parcel	Map	In C/O:			
Number:	, ,	•			Tax B	ill Mailing Addr	ess
Property Des	cription: (W	hat is this?)	Address:	12790 EL C	AMINO REAL STE 1	50
N1/2 NE OF SEC	31-4S-9E 80.00 A	C		City:	SAN DIEGO)	
				State:	CA		
				Zip Code:	92130		
Date of Sale:	3/26/2010			Property Addr	ress (Location)	:	
Sale Amount:	\$27,650,400	.00		Subdivision:			
Document(s):				Unit:	Block:	Lot:	Phase:
2010-028693				Cabinet:	BROCK:	Slide:	Priese:
				Cabinet:		Saue:	
			No Personal I	Property Lister	d		
Value Details	···						View Value

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Pinal County Government <u>Web Disdaimer</u> <u>Site Map</u> © 2012 Pinal County

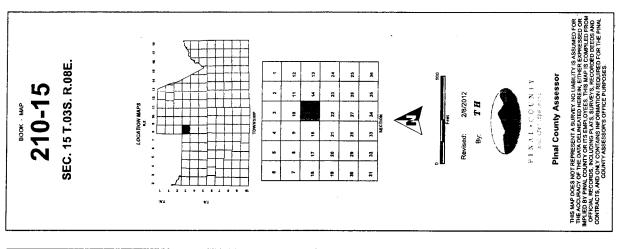
Search Results (3 Entries) Parcel Details (210-14-001A)				Back to List View Details
Parcel Details (210-14-001A)				View Details
		🧐 Link	to This Parcel	Print View
Parcel Number 210-14-001A shows the following in	nformatio	on for Tax	Year: 2013 ▼	Tax Year Chart
Section: 14 Township: 03S Range: 08E	Primary Owner:	PANTANO D	EVELOPMENT BELL	A VISTA LLC
Atlas Number: - Map: View Parcel Map	lame 2:		***	
Property Description: (What is this?)	n C/O:			
NW OF SEC 14-3S-8F FXC THE S-512' THEREOF SEC 14-3S-8E 129.00	•		ill Mailing Address	
AC	\ddress:	3408 N 60TH	ST	
	city:	PHOENIX		
<u> [s</u>	State:	AZ		
[2	ip Code:	85018		
Date of Sale: 1/21/2000 P	roperty Addi	ress (Location):		
Sale Amount: \$1,525,150.00				
Document(s):	<u>ubdivision:</u>			
	nit:	Block:	Lot:	Phase:
<u>2010-020485</u> <u>C</u>	abinet:		Slide:	

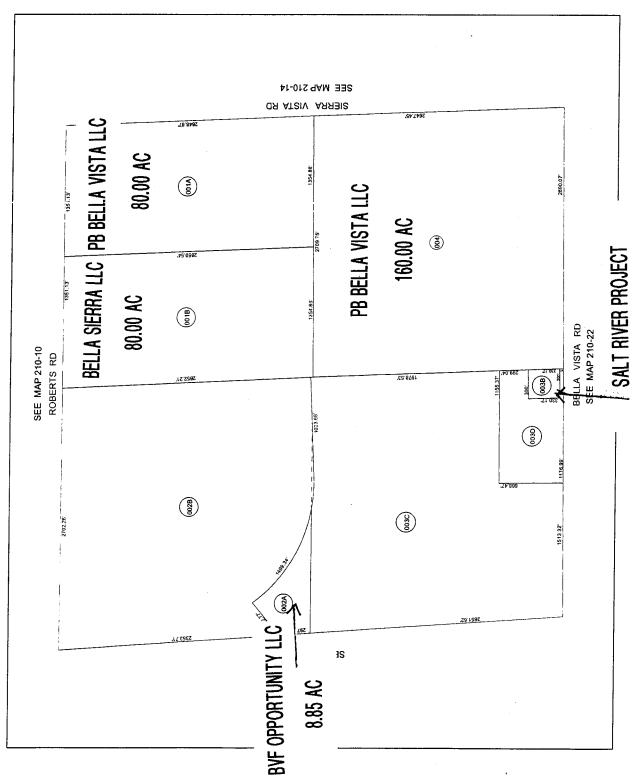
Search Criter	ia (v. 2.0) (Section/	Township/Rang	e: S14-T	'03S-F	R08E)		New Se	arch
Search Resul	ts (3 Entries)						Back to	List
Parcel Detail	s (210-14-001B)						View De	tails
					% Link	to This Parcel	Print Vi	ew
Parcel Number	er 210-14-001B show	ws the following	informa	ition f	or Tax	Year: 2013 ▼	<u>Tax Year</u>	<u>Chart</u>
	210-14-001B (Taxing Information	on)	Primary Owner:	P	ANTANO D	EVELOPMENT BE	LLA VISTA LLC	
Atlas Number:	- Map: View Parcel Map	LOOF	Name 2:					
	on: (What is this?)	_	In C/O:					
	EC 14-3S-8E 31.00 AC				Tax B	ill Mailing Addres	S	
3-312 OF NW OF 3	BEC 14-33-0E 31:00 AC		Address:	34	08 N 60TH	IST		
			City:	Pi	HOENIX			
			State:	A	7			
			Zip Code:	85	018			
Date of Sale:	1/21/2000		Property A	ddress (Location)	<u> </u>		
Sale Amount:	\$155,000.00		11000.071	10.000		·		
Document(s):	1 \$155,000.00	-	Subdivisio	n:				
			Unit:	ВІ	ock:	Lot:	Phase:	
<u>2010-020485</u>		i i	Cabinet:			Slide:		
		No Personal P	operty Liste	ed.	·			

Value Details

Search Crite	eria (v. 2.0) (Section/Townshi	ip/Range: S14-T0	3S-R08E)		New Search
Search Res	ults (3 Entries)				Back to List
Parcel Deta	ils (210-14-0020)				View Details
			% Link	to This Parcel	Print View
Parcel Num	ber 210-14-0020 shows the fo	ollowing informati	on for Tax `	Year: 2013	▼ Tax Year Char
Parcel Number:	210-14-0020 (Taxing Information) Township: 03S Range: 08E	Primary Owner:	PANTANO DI	EVELOPMENT BE	ELLA VISTA LLC
Atlas Number:	- Map: View Parcel Map	Name 2:			
	otion: (What is this?)	In C/O:			
SW OF SEC 14-3	<u> </u>		Tax B	ill Mailing Addre	SS
01101 020 14-0	0-0E 100.00 AO	Address:	3408 N 60TH	ST	
		City:	PHOENIX		
		State:	AZ		
		Zip Code:	85018		
Date of Sale:	1/21/2000	Property Add	ress (Location):		
Sale Amount:	\$1,525,150.00				
Document(s):		Subdivision:	1		
2010-020485		Unit: Cabinet:	Block:	Lot: Slide:	Phase:
2010 020 103		Cabinet:	i	Silde:	L
	No	Personal Property Listed			

Value Details





2.27 AC

Search Crite	ria (v. 2.0) (Section,	Township/Rang	ge: S15-T()3S-R08E)		New	Search
Search Resu	lts (5 Entries)					Back	to List
Parcel Detail	s (210-15-001B)					View	Details
				🗞 Lini	to This Parcel	Print	View
Parcel Numb	er 210-15-001B sho	ws the following	informat	ion for Tax	Year: 2013	▼ Tax Ye	ar Charl
Parcel Number:	210-15-001B (Taxing Informat		Primary	BELLA SIEF	RRA LLC		
Section: 15 T	ownship: 03S Range:	08E	Owner: Name 2:				
Atlas Number:	- Map: View Parcel Map						
	ion: (What is this?)		In C/O:		Dill Mailine Addes		
W1/2 NE OF SEC 1	5-3S-8E 80.00 AC		Address:		Bill Mailing Addre	<u> </u>	
				4159 W MIL			
			City:	CHANDLER			
			State: Zip Code:	AZ			
			Lip code.	85226			
Date of Sale:	Not Given		Property Ad	dress (Location)):		
Sale Amount:	Not Given		4445 E ROB	FRTS RD			
Document(s):				LLEY AZ 85143			
2005-028139			• Property Admailing addre		ographical location:	it may not match	the
			Subdivision	}			
			Unit:	Block:	Lot:	Phase:	•
			Cabinet:		Slide:		
		No Personal I	Property Listed				
Value Detail	s (2 Improvements)					Viou	Values

Search Criteria (v. 2.0) (Section/Townshi	p/Range: S15-	T03S-F	R08E)		New Searc
Search Results (5 Entries)					Back to Lis
Parcel Details (210-15-002A)					View Detail
_			& Link	to This Parcel	Print View
Parcel Number 210-15-002A shows the fo	ollowing inform	ation f	or Tax	Year: 2013	▼ Tax Year Cha
Parcel Number: 210-15-002A (<u>Taxing Information</u>) Section: 15 Township: 03S Range: 08E	Primary Owner:	B\	/F OPPOR	RTUNITY LLC	
Atlas Number: - Map: View Parcel Map	Name 2:			<u> </u>	
Property Description: (What is this?)	In C/O:				
BEGINNING @ THE W/4 CORNER OF SEC 15-3S-8E TH N-297.	.84 TH N			Bill Mailing Addre	
51D-02-41E 502.77 TO NON-TANGENT CURVE CONCAVE NE	HAVING Address:	17	700 N PA	CESETTER WAY S	SUITE 100
A RADIUS OF 1500 THE CTR WHICH BEARS N54D-58-49E TH		SC	COTTSDAL	LE	
ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 57-16	S-14 AN State:	AZ	7		
ARC TO THE SOUTHLINE OF THE NW/4 OF SEC 15 TH WEST		85	255		
W/4 CORNER SAID POB. 8.85 AC					
Date of Sale: 9/30/2011	Property	Address (Location)	:	
Sale Amount: \$8,647,300.00	Subdivisi				
Document(s):	Unit:		ock:	Lot:	Phase:
2011-080005	Cabinet:		OCK:	Slide:	Pnase: }
2011-001297	Cabinet			j Siluc.	
	Personal Property Lis				•

Search Crite	eria (v. 2.0) (Section/Townshi	p/kange: 515-10.	33-RUBE)		New Search
Search Resu	ults (5 Entries)				Back to List
Parcel Deta	ils (210-15-001A)				View Details
			& Link	to This Parcel	Print View
Parcel Num	ber 210-15-001A shows the fo	ollowing informati	on for Tax	Year: 2013	Tax Year Chart
Parcel Number: Section: 15	210-15-001A (Taxing Information) Township: 03S Range: 08E	Primary Owner:	PB BELLA V	ISTA LLC	
Atlas Number:	- Map: View Parcel Map	Name 2:			
Property Descrip	otion: (What is this?)	In C/O:			
E1/2 NE OF SEC	15-3S-8E 80.00 AC (1)	Address:		Bill Mailing Addres	SS
		City:	3408 N 60TH PHOENIX	131	
		State:	AZ	·	
		Zip Code:	85018		
		Zip code.	1 630 16		
Date of Sale:	1/21/2000	Property Add	ress (Location)	:	
Sale Amount:	\$1,239,900.00	Subdivision:			
Document(s):		Unit:	Block:	Lot:	Phase:
2010-020480		Cabinet:	I BIOCK!	Slide:	
	. No	Personal Property Listed			
Value Detai	ls (2 Improvements)				View Values

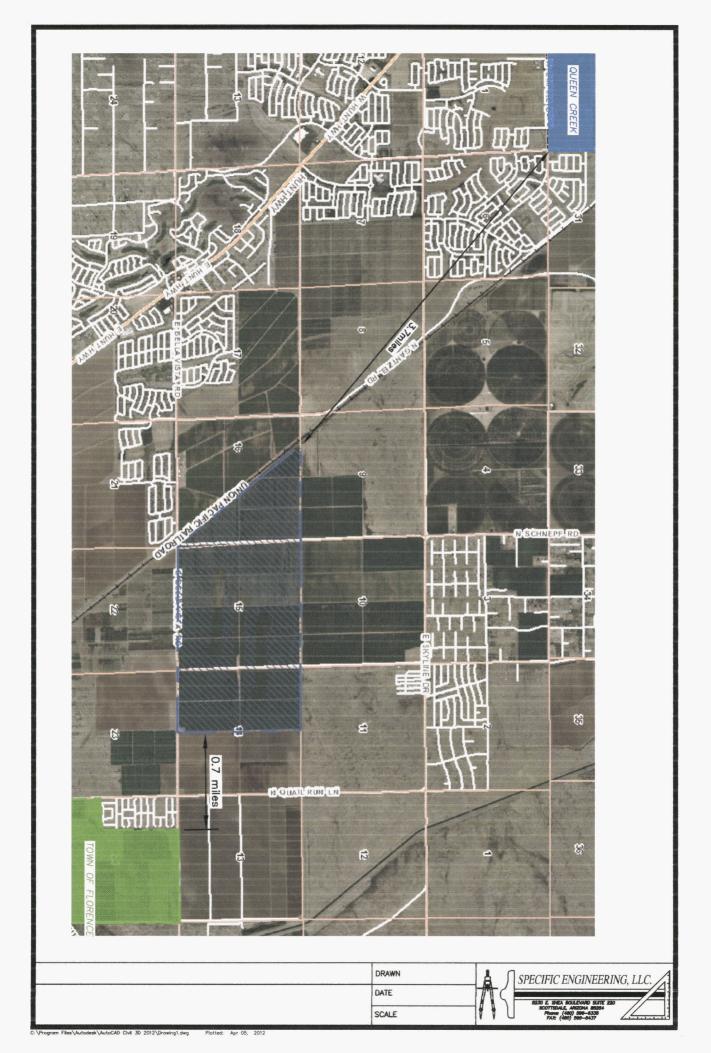
	ria (v. 2.0) (Section/Township						
Search Resu	Its (5 Entries)				Back to List		
Parcel Detai	ls (210-15-0040)				View Details		
			® Li	ink to This Parcel	Print View		
Parcel Numb	per 210-15-0040 shows the fol	lowing informati	ion for Ta	x Year: 2013	Tax Year Char		
Parcel Number:	210-15-0040 (Taxing Information) Township: 03S Range: 08E	Primary Owner:	PB BELL	A VISTA LLC			
Atlas Number:	- Map: View Parcel Map	Name 2:					
Property Descript	ion: (What is this?)	In C/O:					
SE OF SEC 15-3S-8E 160.00 AC			Tax Bill Mailing Address				
		Address:	3408 N 60				
		City:	PHOENIX				
		State:	AZ				
		Zip Code:	85018				
Date of Sale:	1/21/2000	Property Add	ress (Locatio	on):			
Sale Amount:	\$1,239,900.00						
Document(s):			Blocks	Theta	Dhasail		
2010-020480			BIOCK:		Phase:		
Document(s):		Subdivision: Unit: Cabinet: Personal Property Listed	Block:	Lot: Slide:	Phase:		

Search Criter	ria (v. 2.0) (Section/To	ownship/Ran	ge: S15-T0	3S-R08E)		New S	earch
Search Resul	ts (5 Entries)					Back t	to List
Parcel Detail	s (210-15-003B)					View D	etails
				& Lin	k to This Parcel	Print \	/iew
Parcel Numb	er 210-15-003B shows	the following	g informat	ion for Tax	Year: 2013 '	Tax Yea	r Chart
	210-15-003B (Taxing Information)	8E	Primary Owner:	SALT RIVE	R PROJECT AG IM	P & POWER DIS	ST.
Atlas Number:	- Map: View Parcel Map	<u> </u>	Name 2:				
	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		In C/O:				
Property Description: (What is this?) THE S-370.00 OF THE E-300.00 OF SE SE SW OF SEC 15-03S-08E EXCEPT THE S-40.00 THEREOF 2.27 AC		C 15-03S-08F	Tax Bill Mailing Address				
		0 10-000-00L	Address:	PO BOX 52	PO BOX 52025		
			City:	PHOENIX			
			State:	AZ			
			Zip Code:	85072			
Date of Sale:	Not Given		Property Add	Iress (Location	1):		
Sale Amount:	Not Given						
Document(s):	1100 31011		Subdivision:				
			Unit:	Block:	Lot:	Phase:	
2006-146184			Cabinet:		Slide:	L	
			Property Listed				

Value Details (2 Improvements)

The eastern portion of Section 16 to be included in the Expansion is owned by Vintage Farms, LLC and consists of 257.53 acres. A detailed map will be filed separately with this docket.

Attachment 12



Attachment 13

EXHIBIT A WATER DIVISION

)	-	
,	MONTHLY USAGE CHARGE:	
	5/8" x 3/4" Meter	\$11.00
	3/4" Meter	16.50
	1" Meter	27.50
	1-1/2" Meter	55.00
	2" Meter	88.00
	3" Meter	176.00
	4" Meter	275.00
	6" Meter	550.00
	8" Meter	880.00
	10" Meter	1,265.00
	COMMODITY CHARGES	,
	(Residential, Commercial, Industrial)	
	All Meter Sizes	
	Gallons Included in Minimum	0
	5/8-Inch Meter (Residential)	
	0 to 4,000 Gallons	\$1.7600
	4,001 to 10,000 Gallons	2.1400
	Over 10,000 Gallons	2,4960
	34-Inch Meter Commercial, Industrial, Irrigation	
	and Public Authority	
	0 to 10,000 Gallons	
	Over 10,000 Gallons	
	1-Inch Meter	
	From 1 to 32,000 Gallons	2.1400
١	Over 32,000 Gallons	2.4960
,	1-1/2-Inch Meter	
	From 1 to 88,000 Gallons	2.1400
	Over 88,000 Gallons	2.4960
	2-Inch Meter	
	From 1 to 156,000 Gallons	2.1400
	Over 156,000 Gallons	2.4960
	3-Inch Meter	
	From 1 to 339,000 Gallons	2.1400
	Over 339,000 Gallons	2.4960
	4-Inch Meter	
	From 1 to 545,000 Gallons	2.1400
	Over 545,000 Gallons	2.4960
	6-Inch Meter	
	From 1 to 1,120,000 Gallons	2,1400
	Over 1,1200,000 Gallons	2,4960
	8-Inch Meter	
	From 1 to 1,800,000 Gallons	2.1400
	Over 1,800,000 Gallons	2.4960
	10-Inch Meter	
	From 1 to 2,600,000 Gallons	2.1400
	Over 2,600,000 Gallons	2.4960
	Construction Water	2.4960
	Central Arizona Water	See Tariff
	V	

Johnson Utilities L.L.C. - Wastewater Division Docket No. WS-02987A-08-0180 Test Year Ended December 31, 2007

EXHIBIT A WASTEWATER DIVISION

Monthly Minimum Charge	PER DECISION NO. 71854	NEW RATES PER ARS 40-252
Meter Sizes (All Zones and Classes)		
5/8 Inch	\$ 29.8100	\$ 35.7700
3/4 Inch	\$ 32.7900	\$ 39.3500
1 Inch	\$ 41.7300	\$ 50.0800
1 1/2 Inch	\$ 53.6508	\$ 64.3900
2 Inch	\$ 86.4400	\$ 103.7300
3 Inch	\$ 327.8700	\$ 393,4700
4 Inch	\$ 625.9300	, \$ 751,170 0
6 Inch	\$ 864.3700	\$ 1,037.3300
8 inch	\$ 1,092.6000	\$ 1,430.8000
10 inch	\$ 1,748.3300	\$ 2,056.7800
Effluent per 1,000 gallons	\$ 0.5280	\$ 0.6300
per acre foot	\$ 170.3200	\$ 205.2900
Service Charges		
Establishment	\$ 25.00	\$ 25.00
Establishment (After hours)	\$ 40.00	\$ 40.00
Deposit Requirement (Residential)	(a)	(a)
Deposit Requirement (Non Residential Meter)	(a)	(a)
Deposit Interest	(b)	(b)
Re-Establishment (With-in 12 months)	(c)	(c)
Re-Establishment (After Hours)	(c)	(c)
NSF Check	15.00	15.00
Deffered Payment, Per Month	1.50%	1.50%
After Hours service charge, per Rule R14-2-603D	Refer to Above Charges	Refer to Above Charges
Late Charge per month	40.00	1.50%
Service Line Connection Charge	350.00	350.00
Main Extension Tariff, per Rule R14-2-806B		
except refunds shall be based upon five percent (5%) of		
gross revenues from bonafide customers,	Cost	Cost
until all advances are fully refunded to Developer. Off-site Facilities Hook-up Fee	l N/A	(d

⁽a) Residential - two times the estimated average monthly bill. Non-residential - two and one-half times the estimated maximum monthly bill.

⁽b) Interest per Rule R14-2-603(B).

⁽c) Minimum charge times number of full months off the system. per Rule R14-2-803(B).

⁽d) New wastewater installations. May be assessed only once per parcel, service connection, or lot within a subdivision.

Attachment 14





OFFICIAL RECORDS OF PINAL COUNTY RECORDER

KATHLEEN C. FELIX

DATE: 12/08/98

TIME: 1636

FEE :

, W . W

AGES:

FEE NO: 1998-050223

Expansion and Amendment Of The Johnson Utility Water and Sewer Franchise

WHEREAS, Johnson Utilities L.L.C. had received a water and sewer franchise from Pinal County to establish and maintain water and sewer services on Johnson Utilities L.L.C., see document number 1995-033065 in the Office of the Pinal County Recorder (hereinafter "Original Franchise").

WHEREAS, Johnson Utilities L.L.C., a(n) Arizona corporation, duly authorized to conduct business in the State of Arizona, has duly filed and presented to the Board of Supervisors of the County of Pinal, State of Arizona, its application for expansion of the Original Franchise for the purpose of constructing, operating and maintaining water and sewer lines and related appurtenances along, under and across the public streets, alleys and highways, except federal and state highways, within the unincorporated area of Pinal County, Arizona, as described in Exhibit "A" attached hereto (hereinafter "Expansion").

WHEREAS, upon filing of Johnson Utilities L.L.C.'s application for the Expansion, the Board of Supervisors of Pinal County ordered a public notice of its intent to consider the granting of the Expansion to be published in a newspaper of general circulation, in Pinal County, Arizona, stating the time and place for consideration of the Expansion was set for 10: 00 A.M. on November 4, 1998, at the Pinal County Board of Supervisors' Hearing Room, Administration Building No. 1, Florence, Arizona.

WHEREAS, said application for the Expansion and Amendment having come on regularly for hearing at 11:30 A.M. on November 4, 1998; and it appearing from the affidavit of the publisher of the Casa Grande Valley Newspaper that due and regular notice of said time and place set for the consideration of such action has been published for at least once a week for three consecutive weeks prior to said hearing date, to-wit: in the issues of the Florence Reminder and Blade-Tribune published on October 15, 1998, October 22, 1998, and October 29, 1998; and the matter being called for hearing at 11:30 A.M., and an opportunity having been given to all interested parties to be heard.

WHEREAS, the Board of Supervisors of Pinal County has the power to amend an existing franchise under its general police powers in such matters.

Second Amended Johnson Utility Water and Sewer Franchise

NOW, THEREFORE,

Section 1: DEFINITIONS

The following terms used in this expansion and amendment of the Original Franchise shall have the following meanings:

A. County:

Pinal County, Arizona

B. Board:

Board of Supervisors of Pinal County, Arizona.

C. Grantor:

Pinal County, by and through its Board of Supervisors

D. Grantee:

Johnson Utilities L.L.C., a(n) Arizona corporation, its successors and assigns

E. Grantee's Facilities: water and sewer lines and related appurtenances

Section 2: GRANT

Grantor, on November 4, 1998, hereby grants to Grantee, for a period of time not to exceed the Original Franchise, this expanded and amended franchise (hereinafter "Second Amended Franchise") for the purpose of constructing, operating and maintaining water and sewer lines and related appurtenances along, under and across public streets, alleys and highways, except federal and state highways, under the terms and conditions set forth herein within the unincorporated area of Pinal County, Arizona, as described in the Expansion and the Original Franchise (hereinafter "Franchise Area").

Section 3: ACCEPTANCE BY GRANTEE / EFFECTIVE DATE FRANCHISE

The Second Amended Franchise shall be accepted by Grantee by written instrument in the form attached hereto as Exhibit "B" (hereinafter "Acceptance"), executed and acknowledged by it as a deed is required to be, and filed with the Clerk of the Pinal County Board of Supervisors within thirty days after the date this Second Amended Franchise is accepted by County. This Second Amended Franchise shall be effective upon delivery of the Acceptance to the Clerk of the Pinal County Board of Supervisors in the form required and within the time specified above.

Section 4: LIMITS ON GRANTEE'S RECOURSE

A. Grantee by its acceptance of the Second Amended Franchise acknowledges such acceptance relies upon grantee's own investigation and understanding of the power and authority of the County to grant said franchise. Grantee by its acceptance of the Second Amended Franchise accepts the validity of the terms and conditions of the Second Amended Franchise in their entirety and agrees it

will not, at any time, proceed against County in any claim or proceeding challenging any term or provision of the Second Amended Franchise as unreasonable, arbitrary or void, or that County did not have the authority to impose such term or condition.

- B. Grantee by accepting the Second Amended Franchise acknowledges that it has not been induced to accept the same by any promise, verbal or written, by or on behalf of County or by any third person regarding any term or condition of the Second Amended Franchise not expressed therein. Grantee by its acceptance of the Second Amended Franchise further pledges that no promise or inducement, oral or written, has been made to any employee or official of County regarding receipt of the Second Amended Franchise.
- C. Grantee by its acceptance of the Second Amended Franchise further acknowledges that it has carefully read the terms and conditions of the Second Amended Franchise and accepts without reservation the obligations imposed by the terms and conditions herein.
- D. In case of conflict or ambiguity between the Second Amended Franchise and the Original Franchise, the provision which provides the greatest benefit to County, as determined solely by County, shall prevail.
- E. The Board's decision concerning its selection and awarding of the Second Amended Franchise shall be final.

Section 5: SEVERABILITY

If any section, provision, term or covenant or any portion of any section, provision, term or covenant of the Second Amended Franchise is determined to be illegal, invalid or unconstitutional, by any court of competent jurisdiction or by any state or federal regulatory agency having jurisdiction thereof, such determination shall have no effect on any remaining portion of such section, provision, term or covenant or the remaining sections, provisions, terms or covenants of the Second Amended Franchise, all of which will remain in full force and effect for the term of the Second Amended Franchise or any renewal or renewals thereof.

Section 6: NOTICE

Notices required under the Second Amended Franchise shall be delivered or sent by certified mail, postage prepaid to:

Grantor:

Clerk of the Pinal County Board of Supervisors P.O. Box 827 31 N. Pinal Florence, Arizona 85232

Grantee:

Johnson Utilities L.L.C. 5320 E. Shea Blvd. Scottsdale, Arizona 85254

The delivery or mailing of such notice shall be equivalent to direct personal notice and shall be deemed to have been given at the time of delivery. Either party may change its address under this section by written notice to the other party.

IN WITNESS WHEREOF, the Board of Supervisors of Pinal County, Arizona, by its Chairman and its Clerk, thereunto duly authorized, has hereunto set its hand and cause its official seal to be affixed on November 4, 1998.

PINAL COUNTY BOARD OF SUPERVISORS

Sandie Smith, Chairman 114-95

ATTEST:

Stanley D. Griffis, Ph.D., Clerk of the Board

APPROVED AS TO FORM:

ROBERT CARTER OLSON PINAL COUNTY ATTORNEY

Eric L. Walberg, Deputy County Attorney

JOHNSON UTILITIES FRANCHISE EXTENSION APPLICATION

All areas within the following described Sections not previously franchised to the Applicant:

Sections 35 and 36, all in Township 3 South Range 7 East

- Sections 13 through 36, all in Township 3 South Range 8 East
- Sections 16 through 21 and 28 through 33, all in Township 3 South Range 9 East
 Sections 1 through 4, 10 through 14 and 23 through 26, all in Township 4 South
 Range 8 East

Sections 4 through 9, all in Township 4 South Range 9 East

Exhibit B

SAMPLE ACCEPTANCE OF EXPANDED AND AMENDED FRANCHISE

To: Board of Supervisors Pinal County, Arizona

Grantee, Johnson Utilities L.L.C., a(n) Arizona corporation, does hereby accept the _______ grant of an Second Amended Franchise from Pinal County, Arizona, to construct, operate, and maintainwater and sewer lines and related fixtures along, under and across present and future public streets, alleys and highways, except state highways, within the unincorporated area of Pinal County, Arizona, as described in the Application, a copy of which is attached to the Second Amended Franchise, which is made a part hereof.

Grantee unconditionally accepts the franchise and covenants to faithfully comply with, abide by, to observe and perform all the provisions, terms and conditions of the Second Amended Franchise. Grantee accepts such provisions, terms and conditions and expressly waives any and all objections to the reasonableness or legality of any provisions of the same or any part thereof, or as to the legal right or authority of the County of Pinal to impose the same.

Grantee declares that the statements and recitals in said Second Amended Franchise are correct, and Grantee declares it has made and does make the agreement, statements and admissions in said Second Amended Franchise recited to have been or to be made by Grantee.

attycivl\franchise\19981799 E&A Franchise Final



KATHLEEN C. FELIX

DATE: 12/Ø8/98

TIME: 1636

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FEE NO: 1998-Ø5Ø224

(The above space reserved for recording information)

CAPTION HEADING

Acceptance of Expanded and Amended Franchise

ACCEPTANCE OF EXPANDED AND AMENDED FRANCHISE

To: Board of Supervisors Pinal County, Arizona

My Commission Expires:

Grantee, Johnson Utilities L.L.C., a(n) Arizona corporation, does hereby accept the November 4, 1998 grant of an Second Amended Franchise from Pinal County, Arizona, to construct, operate, and maintain water and sewer lines and related fixtures along, under and across present and future public streets, alleys and highways, except state highways, within the unincorporated area of Pinal County, Arizona, as described in the Application, a copy of which is attached to the Second Amended Franchise, which is made a part hereof.

Grantee unconditionally accepts the franchise and covenants to faithfully comply with, abide by, to observe and perform all the provisions, terms and conditions of the Second Amended Franchise. Grantee accepts such provisions, terms and conditions and expressly waives any and all objections to the reasonableness or legality of any provisions of the same or any part thereof, or as to the legal right or authority of the County of Pinal to impose the same.

Grantee declares that the statements and recitals in said Second Amended Franchise are correct, and

OFFICIAL SEAL
CHRISTINE M. DERMODY
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires June 9, 2002

Attachment 15

ARIZONA DEPARTMENT OF WATER RESOURCES

Office of Assured and Adequate Water Supply

3550 North Central Ave., 2nd Floor, Phoenix, AZ 85012
Telephone 602 771-8599
Fax 602 771-8689



JANET NAPOLITANO Governor

HERB GUENTHER
Director

January 5, 2009

Brian Tompsett Johnson Utilities, LLC 5230 E. Shea Blvd. Suite 200 Scottsdale, AZ 85254

Re: Designation of Assured Water Supply (DWR No. 86-400665.0001) Johnson Utilities-Phx

Dear Mr. Tompsett:

I am pleased to inform you that the Department of Water Resources has approved the application for a Designation of Assured Water Supply for Johnson Utilities-Phoenix. We have enclosed the formal Decision and Order. The Decision and Order includes an itemization of Johnson Utilities-Phoenix's responsibilities in maintaining the Designation.

Johnson Utilities-Phoenix's status as a designated water provider demonstrates that Johnson is taking a long-term perspective in managing water resources. Johnson Utilities-Phoenix's commitment to sound water management represents a major contribution to the State's water management goal of achieving safe-yield in the Phoenix Active Management Area.

If you have any questions regarding these documents, please contact me at (602) 771-8504.

John Schneeman, Manager

Assured and Adequate Water Supply

JFS/rbo

cc: via electronic mail

Ms. Cindy Ferrin, Arizona Department of Real Estate Michael Pearce, Maguire & Pearce J. Scott Miller, Director, Phoenix AMA

DEPARTMENT OF WATER RESOURCES BEFORE THE DIRECTOR

IN THE MATTER OF THE APPLICATION OF JOHNSON UTILITIES, LLC FOR A DESIGNATION AS HAVING AN ASSURED WATER SUPPLY IN THE PHOENIX ACTIVE MANAGEMENT AREA

AWS No. 2009-001

DECISION AND ORDER

No. 86-400665.0001

I. INTRODUCTION

On July 9, 2007, the Department of Water Resources ("Department") received an application from Johnson Utilities, LLC dba Johnson Utilities Phoenix ("Johnson-Phoenix") requesting that the Department modify Johnson-Phoenix's designation of assured water supply pursuant to A.R.S. § 45-576 et seq. and A.A.C. R12-15-701 et seq. On December 27, 2007 and January 3, 2008, the Department gave public notice of the application pursuant to A.R.S. § 45-578 and no objections to the application were filed with the Department.

After receiving Johnson-Phoenix's application to modify its designation of assured water supply, the Department reviewed relevant information regarding the modification request, including: 1) hydrologic information on file with the Department; 2) information regarding consistency with the management plan and the management goal of the Phoenix Active Management Area ("AMA"); and 3) information regarding Johnson-Phoenix's financial capability to construct the necessary delivery system, treatment works and storage facilities. Based on that information, the Department makes the following Findings of Fact, Conclusions of Law and Order of Designation and Conditions of Designation:

II. FINDINGS OF FACT

A. General

Johnson-Phoenix is a private water company subject to the jurisdiction of the Arizona Corporation Commission ("ACC").

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- Johnson-Phoenix provides domestic water service within the boundaries of its certificate of convenience and necessity ("CC&N"), as approved by the ACC.
- Johnson-Phoenix currently serves water through its municipal distribution system to its customers within the Phoenix AMA.
- 4. On August 12, 2003, Johnson-Phoenix was designated as having an assured water supply in Decision and Order AWS 2003-004, No. 26-40665.0000.

B. Water Demands

- 5. Johnson-Phoenix's current demand as of calendar year 2007 is 7,817 acre-feet per year ("current demand").
- 6. Johnson-Phoenix's committed demand as of calendar year 2007 is 2,945 acre-feet per year ("committed demand").
- 7. Johnson-Phoenix's projected demand in 2028 is 7,392 acre-feet per year ("2028 projected demand"). The 2028 projected demand does not include the current demand or the committed demand, but does include the demand at build-out of plats reasonably projected to be approved through calendar year 2028.
- 8. Johnson-Phoenix's annual estimated water demand in 2028, which is the sum of its current demand, committed demand and 2028 projected demand, is 18,154 acre-feet per year ("2028 annual estimated water demand").

C. Groundwater: Physical, Continuous and Legal Availability and Consistency with the Management Goal

- 9. Johnson-Phoenix has the right to withdraw and deliver groundwater to its customers pursuant to service area right No. 56-002346.0000.
- 10. Historic hydrologic information demonstrates that depth-to-static water levels within the Johnson-Phoenix service area currently range from approximately 300 feet to 700 feet below land surface.
- 11. Johnson-Phoenix has demonstrated that after withdrawing 18,154 acre-feet per year of groundwater for 100 years, the depth-to-static water level within Johnson-Phoenix's service area is not expected to exceed 1,000 feet below land surface.

- 12. As of the date of this Decision and Order, Johnson-Phoenix's current groundwater allowance is 0.00 acre-feet per year, pursuant to A.A.C. R12-15-724(A)(2).
- 13. Pursuant to A.A.C. R12-15-724(A)(4), the Director shall add a volume for incidental recharge to Johnson-Phoenix's groundwater allowance for each calendar year, based on its total water use from any source in the previous calendar year.
- 14. Johnson-Phoenix is a member service area of the Central Arizona Groundwater Replenishment District ("CAGRD"). The August 27, 2007 Member Service Area Agreement between Johnson-Phoenix and the CAGRD ("Agreement") provides that the amount of Excess Groundwater, as defined in the Agreement, delivered by Johnson-Phoenix shall not exceed 18,154 acre-feet per year.
- 15. The Director has made a determination, which has not expired, that the most recent CAGRD Plan of Operation is consistent with achieving the management goal of the Phoenix AMA.
- 16. As of the date of this decision and order, the CAGRD is in compliance with its groundwater replenishment obligation for the Phoenix AMA.
- 17. Johnson-Phoenix has demonstrated that it has constructed wells of sufficient capacity to satisfy a portion of its 2028 annual estimated groundwater demand of 18,154 acre-feet per year for at least 100 years.
- 18. Pursuant to R12-15-717(B), Johnson-Phoenix has demonstrated that it will construct additional wells of sufficient capacity to meet the remainder of its 2028 annual estimated groundwater demand of 18,154 acre-feet per year for at least 100 years.

D. Consistency with the Management Plan

19. Johnson-Phoenix is currently regulated as a large municipal provider under the Municipal Conservation Program in the Third Management Plan for the Phoenix AMA ("Management Plan"). As of the date the application was filed, Johnson-Phoenix has not been found to be out of compliance with the Management Plan.

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IV. ORDER OF DESIGNATION AND CONDITIONS OF DESIGNATION

Having reviewed the Findings of Fact and Conclusions of Law, the Department hereby issues this Decision and Order designating Johnson-Phoenix as having an assured water supply, subject to the following conditions:

- The Director reserves the right under A.A.C. R12-15-711(C) to periodically review and modify the designation for good cause as conditions warrant.
- 2. Pursuant to A.A.C. R12-15-711(F), the Director may, at any time revoke this designation if the findings of fact or the conclusions of law upon which the designation is based change or are invalid, or if an assured water supply no longer exists.
- The Director's determination that an assured water supply exists for Johnson-Phoenix is based on its analysis of the water supplies pledged by Johnson-Phoenix.
- 4. Johnson-Phoenix shall submit an application to modify this decision and order designating Johnson-Phoenix as having an assured water supply to increase the term of the designation when the sum of Johnson-Phoenix's current demand, committed demand and two year projected demand exceeds 18,154 acre-feet per year, or by December 31, 2026, whichever is earlier.
- 5. Pursuant to A.A.C. R12-15-719, Johnson-Phoenix shall satisfy any state water quality requirements established for its proposed use after the date of this designation.
- 6. Johnson-Phoenix shall annually provide to the Department the following information for the previous calendar year in the manner prescribed in A.A.C. R12-15-711(A):
 - a. An estimate of the demand of platted, undeveloped lots located in Johnson-Phoenix's service area.
 - b. The projected demand at build-out for customers with which Johnson-Phoenix has entered into a notice of intent to serve agreement in the previous calendar year.
 - c. A report regarding Johnson-Phoenix's compliance with water quality requirements.

d. The depth-to-static water level of all wells from which Johnson-Phoenix withdrew water during the previous calendar year.

e. Any other information requested by the Director to determine whether JohnsonPhoenix continues to meet all the requirements necessary to maintain this designation of assured water supply.

IT IS HEREBY ORDERED THAT JOHNSON-PHOENIX BE DESIGNATED AS HAVING AN ASSURED WATER SUPPLY UNTIL DECEMBER 31, 2028.

Herbert R. Guenther

Director

Arizona Department of Water Resources

J. Scott Miller, Area Director Phoenix Active Management Area Certified Mail No.: 7006 2760 0002 4885 1909

Sent by:

Mormay Coupand

Attachment A
Johnson Utilities-Phoenix Modification of Designation Application
Water Source and Supply Supply

	Comments		Member service area	See finding #13	Incidental recharge credit of 4% annually.					
water Source and Supply Summary File No. 86-400665 0001	Legal Authority		Service Area Right	#56-002346.0000						
Water	Capacity		Available well capacity =	12, 133./U al/yr					(2028)	
	Approved	(47,11)	18,154.00	O			18.154.00	18,154.00	18,154.00 (2028)	
	Source	Groundwater:	Groundwater replenished by CAGRD	Groundwater Allowance		Ibtotal		OTAL PHYSICALLY VAILABLE	ROJECTED DEMAND	

ARIZONA DEPARTMENT OF WATER RESOURCES 2008

Office of Assured and Adequate Water Supply

3550 North Central Ave., 2nd Floor, Phoenix, AZ 85012 Telephone 602 771-8599 Fax 602 771-8689



JANET NAPOLITANO
Governor

HERB GUENTHER
Director

December 1, 2008

Mr. Brian Tompsett Johnson Utilities, LLC 5320 East Shea Blvd. Scottsdale, Arizona 85254

Re: A Modification to the Designation of Assured Water Supply (DWR No. 86-401382.0001)
Johnson Utilities, LLC dba Johnson Utilities Pinal

Dear Mr. Tompsett:

I am pleased to inform you that the Department of Water Resources has approved the application to modify the Designation of Assured Water Supply for Johnson Utilities Pinal. We have enclosed the formal Decision and Order. The Decision and Order includes an itemization of Johnson Utilities Water Company's responsibilities in maintaining the Designation.

Johnson Utilities status as a designated water provider demonstrates that Johnson Utilities-Pinal is taking a long-term perspective in managing water resources. Johnson Utilities commitment to sound water management represents a major contribution to the State's water management goal in the Pinal Active Management Area.

If you have any questions regarding these documents, please contact me at (602) 771-8504.

Sincerely,

John/Schneeman, Manager

Assured and Adequate Water Supply

JS/njc

cc: Ms. Cindy Ferrin, Arizona Department of Real Estate

Mr. Michael Pearce, Pearce & Maguire, Attorneys at Law

Mr. Randy Edmond, Area Director, Pinal AMA

ARIZONA DEPARTMENT OF WATER RESOURCES

Water Management Division

2nd Floor, 3550 N. Central Ave., Phoenix, AZ 85012 Telephone (602) 771-8585 Fax (602) 771-8689



November 17, 2008

VIA CERTIFIED MAIL

Mr. Brian P. Tompsett Johnson Utilities, Pinal 5320 East Shea Blvd Scottsdale, Arizona 85254

RE: Decision and Order No. 86-401382.0001. In the Matter of Johnson Utilities - Pinal Application for a Modification to their Designation as Having an Assured Water Supply AWS No. 2008-001

Dear Mr. Tompsett:

This letter is the Decision of the Director of the Department of Water Resources to grant Johnson Utilities - Pinal a Modification to their Designation of Assured Water Supply, No. 86-401382.0001

The Department's review of the relevant information establishes that all of the requirements for issuance of a Designation of Assured Water Supply set forth in A.R.S. § 45-576 and A.A.C. 12-15-701, et seq., have been met. The Department has received no objections to your application.

This Decision of the Director to grant a Designation of Assured Water Supply is an appealable agency action. I have enclosed a copy of the Final Appealable Draft Decision and Order. The Final Appealable Draft Decision and Order will be the final form of your designation upon issuance.

You are entitled to appeal this decision. If you wish to appeal this action, you must file a written appeal within thirty (30) days from receipt of this letter. I am providing you with a summary of the appeal process and an appeal form, should you elect to pursue this option.

As no objections have been filed regarding your designation application, you may elect to complete and file the enclosed Appealable Agency Action Waiver Form, waiving your right to appeal the Director's Decision, so that your designation can be signed without delay. If the Appealable Agency Action Waiver is not filed, the designation shall be signed and issued at the end of the 30-day appeal period.

Please direct any questions concerning the designation or the appeal process to Mr. John Schneeman, Manager of the Office of Assured and Adequate Water Supply, at (602) 771-8593.

Sincerely,

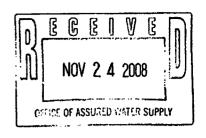
Sandra Fabritz-Whitney

Assistant Director

SFW:njc

Enclosures

cc: Mr. Michael Pearce, Maguire & Pearce, Attorneys at Law
John Schneeman, Manager, Office of Assured and Adequate Water Supply
Nicole D. Swindle, Legal Division
Randy Edmond, Area Director, Pinal AMA



Appealable Agency Action Waiver

I, Beland P. Tombsett, duly authorized by the Applicant for a Designation of Assured Water Supply, assert that the Applicant has reviewed the Final Appealable Draft Decision and Order of Application No. 86-401382,0001 for Johnson Utilities, LLC dba Johnson Utilities Pinal and hereby waives all rights that the Applicant may have pursuant to Arizona Revised Statutes, Title 41, Chapter 6, Article 10; Title 45, Chapter 2, Article 9; and Arizona Administrative Code Title 12, Chapter 15, Article 7; to administrative and judicial appeal, review or hearing concerning the issuance of the above listed Designation, including all limitations and conditions contained therein.

Signature

EDUTIVE VICE PRESIDENT

Title

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DEPARTMENT OF WATER RESOURCES

BEFORE THE DIRECTOR

IN THE MATTER OF THE APPLICATION OF JOHNSON UTILITIES, dba JOHNSON UTILITIES PINAL FOR A MODIFICATION OF DESIGNATION AS HAVING AN ASSURED WATER SUPPLY IN THE PINAL ACTIVE MANAGEMENT AREA

AWS No. 2008-001
DECISION AND ORDER

No. 86-401382.0001

I. INTRODUCTION

On June 20, 2007, the Department of Water Resources ("Department") received an application from Johnson Utilities, L.L.C. dba Johnson Utilities Pinal (hereinafter "Johnson-Pinal") requesting a modification of Johnson-Pinal's designation as having an assured water supply pursuant to A.R.S. § 45-576 et seq. and A.A.C. R12-15-701 et seq. On December 14, 2007 and December 21, 2007, the Department gave public notice of the application pursuant to A.R.S. § 45-578. No objections to the application were filed with the Department.

After receiving Johnson-Pinal's application to modify its designation of assured water supply, the Department reviewed relevant information regarding the modification request, including: 1) hydrologic information on file with the Department 2) information regarding Johnson-Pinal's consistency with the management plan and the management goal of the Pinal Active Management Area ("Pinal AMA"); and 3) information regarding Johnson-Pinal's financial capability to construct the necessary delivery system, treatment works and storage facilities. Based on that information, the Department makes the following Findings of Fact, Conclusions of Law and Order of Designation and Conditions of Designation:

1 11. **FINDINGS OF FACT** 2 **General** Johnson-Pinal is a private water company subject to the jurisdiction of the Arizona Corporation 3 Commission ("ACC"). 4 Johnson-Pinal owns a municipal water delivery system in the Pinal AMA. 2. 5 Johnson-Pinal provides domestic water service within the territorial boundaries of its certificate 6 of convenience and necessity ("CC&N"), as approved by the ACC. 7 Johnson-Pinal currently serves water through its municipal distribution system to its customers 8 within the Pinal AMA. 9 5. On October 14, 2005, Johnson-Pinal was designated as having an assured water supply in 10 Decision and Order AWS 2005-005. 11 **Water Demands** <u>B.</u> 12 Johnson-Pinal's current demand as of calendar year 2007 is 496.00 acre-feet per year ("current 13 demand"). 14 Johnson-Pinal's committed demand as of calendar year 2007 is 285.48 acre-feet per year 15 ("committed demand"). 16 Johnson-Pinal's projected demand in 2017 is 814 acre-feet per year ("2017 projected demand"). 8. 17 The 2017 projected demand does not include the current demand or the committed demand, but does include the demand at build-out of plats reasonably projected to be approved through 18 calendar year 2017. 19 Johnson-Pinal's annual estimated water demand in 2017, which is the sum of its current 20 demand, committed demand, and 2017 projected demand, is 1,595.48 acre-feet per year ("2017 21 annual estimated water demand"). 22

C. Groundwater: Physical, Continuous and Legal Availability and Consistency with the Management Goal

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- Johnson-Pinal has the right to withdraw and deliver groundwater to its customers pursuant to service area right No. 56-001538.0000.
- 11. As of the date of this Decision and Order, Johnson-Pinal's current groundwater allowance is 205.8 acre feet per year, pursuant to A.A.C. R12-15-725(A)(2)(a).

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12.	Pursuant to A.A.C. R12-15-725(A)(3), the Director shall add a volume for incidental recharge to
	Johnson-Pinal's groundwater allowance for each calendar year, based upon its total water use
	from any source in the previous calendar year. Johnson-Pinal's incidental recharge volume for
	calendar year 2007 is 19.8 acre -feet.

- Johnson-Pinal is a member service area of the Central Arizona Groundwater Replenishment District ("CAGRD"). The August 27, 2007, Member Service Area Agreement between Johnson-Pinal and the CAGRD ("Agreement") provides that the amount of Excess Groundwater, as defined in the Agreement, delivered by Johnson-Pinal shall not exceed 8,232 acre-feet per year, which is greater than to Johnson-Pinal's 2017 annual estimated water demand of 1,595.48 acre-feet per year of groundwater.
- 14. The Director has made a determination, which has not expired, that the most recent CAGRD Plan of Operation is consistent with achieving the management goal of the Pinal AMA.
- 15. As of the date of this decision and order, the CAGRD is in compliance with its groundwater replenishment obligation for the Pinal AMA.
- Johnson-Pinal has demonstrated that withdrawing 1,595.48 acre-feet per year of groundwater fro 100-years is consistent with the management goal of the Pinal AMA.
- 17. Johnson-Pinal has demonstrated that after withdrawing 1,595.48 acre-feet per year of groundwater for 100 years, the depth-to-static water level within Johnson-Pinal's service area is not expected to exceed 1,100 feet below land surface.
- 18. Johnson-Pinal will demonstrate through a Master Utility Agreement for water and wastewater facilities that it has wells of sufficient capacity to satisfy its 2017 annual estimated water demand of 1,595.48 acre-feet per year for at least 100 years.

D. Consistency with the Management Plan

Johnson-Pinal is currently regulated as a large municipal provider under the Municipal Conservation Program in the Third Management Plan for the Pinal AMA ("Management Plan").

As of the date the application was filed, Johnson-Pinal has not been found to be out of compliance with the Management Plan.

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E. Water Quality

 Johnson-Pinal is regulated by the Arizona Department of Environmental Quality as a public water system pursuant to A.R.S. § 49-351, et seq.

F. Financial Capability

- 21. Johnson-Pinal has constructed some of the necessary delivery system and storage facilities to satisfy its expected water demand.
- 22. Johnson-Pinal has entered into development agreements which require developers to construct additional infrastructure and then transfer the infrastructure to Johnson-Pinal.

III. CONCLUSIONS OF LAW

Having reviewed the Findings of Fact, the Department makes the following Conclusions of Law:

- Johnson-Pinal has demonstrated that sufficient groundwater will be physically, continuously and legally available to Johnson-Pinal for at least 100 years, to meet its 2017 annual estimated water demand of 1,595.48 acre-feet per year.
- 2. For purposes of A.A.C. R12-15-716(B)(3)(c)(ii), Johnson-Pinal's annual estimated water demand to be met with groundwater is 1,595.48 acre-feet per year.
- 3. In accordance with A.A.C. R12-1-722, Johnson-Pinal has demonstrated that is projected use of groundwater is consistent with the management goal of the Pinal AMA.
- 4. The water supply served by Johnson-Pinal will be of adequate quality pursuant to A.A.C. R12-15-719.
- In accordance with A.A.C. R12-15-721, Johnson-Pinal meets the standard established for determining consistency with the Management Plan for the Pinal AMA.
- 6. Johnson-Pinal has satisfied the financial capability criteria prescribed in A.A.C. R12-15-720.
- 7. Johnson-Pinal has satisfied all the requirements for a designation of an assured water supply.

IV. ORDER OF DESIGNATION AND CONDITIONS OF DESIGNATION

Having reviewed the Conclusions of Law, the Department hereby issues this Decision and Order designating Johnson-Pinal as having an assured water supply, subject to the following conditions:

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- The Department reserves the right under A.A.C. R12-15-711(C) to periodically review and modify the designation for good cause as conditions warrant.
- Pursuant to A.A.C. R12-15-711(F), the Department may, at any time revoke this designation if
 the findings of fact or the conclusions of law upon which the designation is based change or are
 invalid, or if an assured water supply no longer exists.
- 3. The Department's determination that an assured water supply exists for Johnson-Pinal is based on its analysis of the water supplies pledged by Johnson-Pinal.
- Johnson-Pinal shall submit an application to modify this decision and order designating Johnson-Pinal as having an assured water supply to increase the term of the designation when the sum of Johnson-Pinal's current demand, committed demand and two year projected demand exceeds 1,595.48 acre-feet per year, or by December 31, 2015, whichever is earlier.
- 5. Pursuant to A.A.C. R12-15-719, Johnson-Pinal shall satisfy any state water quality requirements established for its proposed use after the date of this designation.
- 6. Johnson-Pinal shall annually provide to the Department the following information for the previous calendar year in the manner prescribed in A.A.C. R12-15-711(A):
 - An estimate of the demand of platted, undeveloped lots located in Johnson-Pinal's service area.
 - b. An estimate of the projected demand at build-out for customers with which Johnson-Pinal has entered into a notice of intent to serve agreement in the preceding calendar year.
 - c. A report regarding Johnson-Pinal's compliance with water quality requirements.
 - d. The depth-to-static water level of all wells from which Johnson-Pinal withdrew water during the calendar year.
 - e. Any other information requested by the Director to determine whether Johnson-Pinal continues to meet all the requirements necessary to maintain this designation of assured water supply.

IT IS HEREBY ORDERED THAT JOHNSON-PINAL'S SERVICE AREA LOCATED WITHIN THE PINAL AMA BE DESIGNATED AS HAVING AN ASSURED WATER SUPPLY UNTIL DECEMBER 31, 2017.

Brian Tompsett Johnson Utilities, L.L.C. dba Johnson Utilities Pinai 5230 E. Shea Blvd., Suite 200 Scottsdale, AZ 85254

Certified Mail No.: 7006 2760 0002 4885 1862

Sent by:

1	A copy of the foregoing mailed by first class mail this \ \frac{5}{4} day
2	of <u>December</u> , 2008, to:
3	Michael J. Pearce Maguire & Pearce, P.L.L.C.
4	2999 N. 44th Street, Suite 630 Phoenix, AZ 85018
5	Roy Tanney
6	Arizona Department of Real Estate 2910 N. 44th Street
7	Phoenix, AZ 85018
8	Cliff Neal Central Arizona Groundwater
9	Replenishment District P.O. Box 43020 Phoenix, AZ 85080
10	Randy Edmond
11	Area Director Pinal Active Management Area
12	1729 N. Trekell Rd., Suite 105 Casa Grande, AZ 85222
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Attachment 16

Estimated Property Tax in year 5

Water \$4,971.00 Sewer \$3,839.95

Attachment 17

The estimated numbers or customers to be served in each of the first five years of water utility service to the area covered by this Application are as follows:

	Residential:	Commercial:	<u>Industrial</u>	<u>Irrigation</u>
1st Year	0	1	0	1
2nd Year	25	2	0	3
3rd Year	75	2	0	4
4th Year	125	2	0	4
5th Year	175	2	0	4

The projected annual water consumption, in gallons, for each of the customer classes in the new area for each of the next five years:

	Residential	Commercial:	<u>Industrial</u>	<u>Irrigation</u>
in Gallons				
1st Year	0	250,000	0	250,000
2nd Year	1,186,250	750,000	0	1,000,000
3rd Year	4,745,000	1,000,000	0	1,750,000
4th Year	9,490,000	1,000,000	0	2,000,000
5th Year	14,235,000	1,000,000	0	2,000,000

Attachment 18

Applicant's estimated annual operating revenue and operating expenses for each of the first five years of operation in the new area covered by this Application are as follows:

Water

Operating Revenue				
	<u>Residential</u>	Commercial:	<u>Industrial</u>	<u>Irrigation</u>
1st Year	\$0	\$1,063	\$0	\$1,063
2nd Year	\$4,788	\$3,189	\$0	\$4,252
3rd Year	\$19,153	\$4,252	\$0	\$7,441
4th Year	\$38,306	\$4,252	\$0	\$8,504
5th Year	\$57,458	\$4,252	\$0	\$8,504
Operating Expenses				
	Residential	Commercial:	Industrial	Irrigation
1st Year	\$0	\$850	\$0	\$850
2nd Year	\$3,831	\$2,551	\$0	\$3,402
3rd Year	\$15,322	\$3,402	\$0	\$5,953
4th Year	\$30,644	\$3,402	\$0	\$6,803
5th Year	\$45,967	\$3,402	\$0	\$6,803
		<u>Wastew</u>	<u>rater</u>	
Operating Revenue				
Operating Revenue	Residential	Commercial:	Industrial	Irrigation
	Residential \$0	Commercial: \$622	Industrial 0	<u>Irrigation</u> 0
1st Year	\$0	\$622	0	0
1st Year 2nd Year	\$0 \$5,903	\$622 \$1,867	0	0
1st Year	\$0 \$5,903 \$23,610	\$622 \$1,867 \$2,490	0	0 0 0
1st Year 2nd Year 3rd Year	\$0 \$5,903 \$23,610 \$47,220	\$622 \$1,867 \$2,490 \$2,490	0 0 0	0
1st Year 2nd Year 3rd Year 4th Year	\$0 \$5,903 \$23,610	\$622 \$1,867 \$2,490	0 0 0 0	0 0 0
1st Year 2nd Year 3rd Year 4th Year	\$0 \$5,903 \$23,610 \$47,220	\$622 \$1,867 \$2,490 \$2,490	0 0 0 0	0 0 0
1st Year 2nd Year 3rd Year 4th Year 5th Year	\$0 \$5,903 \$23,610 \$47,220	\$622 \$1,867 \$2,490 \$2,490	0 0 0 0	0 0 0
1st Year 2nd Year 3rd Year 4th Year	\$0 \$5,903 \$23,610 \$47,220 \$70,830	\$622 \$1,867 \$2,490 \$2,490 \$2,490	0 0 0 0	0 0 0 0
1st Year 2nd Year 3rd Year 4th Year 5th Year	\$0 \$5,903 \$23,610 \$47,220 \$70,830	\$622 \$1,867 \$2,490 \$2,490 \$2,490	0 0 0 0 0	0 0 0 0 0
1st Year 2nd Year 3rd Year 4th Year 5th Year Operating Expenses 1st Year	\$0 \$5,903 \$23,610 \$47,220 \$70,830 Residential \$0	\$622 \$1,867 \$2,490 \$2,490 \$2,490 Commercial: \$498	0 0 0 0 0	0 0 0 0 0 0
1st Year 2nd Year 3rd Year 4th Year 5th Year Operating Expenses 1st Year 2nd Year	\$0 \$5,903 \$23,610 \$47,220 \$70,830 Residential \$0 \$4,722	\$622 \$1,867 \$2,490 \$2,490 \$2,490 \$2,490 Commercial: \$498 \$1,494	0 0 0 0 0 0 Industrial 0	0 0 0 0 0 0 <u>Irrigation</u> 0
1st Year 2nd Year 3rd Year 4th Year 5th Year Operating Expenses 1st Year	\$0 \$5,903 \$23,610 \$47,220 \$70,830 Residential \$0 \$4,722 \$18,888	\$622 \$1,867 \$2,490 \$2,490 \$2,490 \$2,490 Commercial: \$498 \$1,494 \$1,992	0 0 0 0 0 0 Industrial 0 0	0 0 0 0 0 0 Irrigation 0 0
1st Year 2nd Year 3rd Year 4th Year 5th Year Operating Expenses 1st Year 2nd Year 3rd Year	\$0 \$5,903 \$23,610 \$47,220 \$70,830 Residential \$0 \$4,722	\$622 \$1,867 \$2,490 \$2,490 \$2,490 \$2,490 Commercial: \$498 \$1,494	0 0 0 0 0 0 Industrial 0	0 0 0 0 0 0 <u>Irrigation</u> 0